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QUARTERLY UPDATE ON CONFLICT AND DIPLOMACY

16 NOVEMBER 2010–15 FEBRUARY 2011

COMPILED BY MICHELE K. ESPOSITO

The Quarterly Update is a summary of bilateral, multilateral, regional, and international events affecting the Palestinians and the future of the peace process. More than 100 print, wire, television, and online sources providing U.S., Israeli, Arab, and international independent and government coverage of unfolding events are surveyed to compile the Quarterly Update. The most relevant sources are cited in JPS's Chronology section, which tracks events day by day.

THE PALESTINIAN-ISRAELI CONFLICT

This quarter, the U.S. abandoned efforts to secure another Israeli settlement freeze as a means to revive direct Israeli-Palestinian negotiations, deciding instead to return to shuttle diplomacy. But before the U.S. could convince the sides to resume even indirect talks, the peace efforts were sidelined in mid-12/2010 as Palestinian Authority (PA) Pres. Mahmud Abbas contended with al-Jazeera's leak of confidential Palestinian negotiation records with Israel known as the "Palestine Papers" and prodemocracy revolts toppled the governments of Tunisia and Egypt, throwing the region into turmoil. Meanwhile, in the absence of a serious, viable effort to restart comprehensive final-status negotiations, Palestinians turned attention to building international consensus for recognition of a de facto Palestinian state later in 2011.

As the quarter opened, Israel maintained a tight siege of Gaza. Though import restrictions had been eased slightly in 6/2010 (see Quarterly Update in *JPS* 157), Israel still kept Gazans hovering just above a humanitarian crisis. The Israel Defense Forces (IDF) enforced a 300-meter no-go zone inside the full length of the Gaza border and limited the Palestinian fishing zone off Gaza to 500–1,000 m off Bayt Lahiya and Rafah and 3 naut. mi. elsewhere—restrictions that placed 17% of Gaza's total landmass, including 35% of its viable agricultural areas, and 85% of the maritime areas allocated to the Palestinians under the Oslo accords off limits to Palestinians. In the West Bank, Israel's easing of

restrictions on Palestinian movement between major population centers (begun in summer 2009) continued, and IDF operations remained relatively infrequent. As of 11/15, at least 7,713 Palestinians (including 51 Israeli Arabs and 19 unidentified Arab cross-border infiltrators), 1,101 Israelis (including 353 IDF soldiers and security personnel, 220 settlers, and 528 civilians), and 65 foreign nationals (including 2 British suicide bombers) had been killed since the start of the al-Aqsa intifada on 9/28/00.

A U.S. Incentives Package

Israel's 10-month partial freeze on West Bank settlement construction had lapsed in late-9/2010, nearly 2 months prior to the start of the quarter, with PA Pres. Abbas refusing to resume negotiations until the freeze was reimposed and expanded to include East Jerusalem. The U.S., eager to keep the peace process moving, was in talks with Israel over a lucrative "incentives package" it would provide to Israel if there was agreement to renew the freeze. This effort, initiated independently by Israeli DM Ehud Barak and seized upon by U.S. presidential adviser Dennis Ross (the former pro-Israel think tank executive involved in the peace negotiations since before the Oslo process), was undertaken without coordination, even informally, with the Palestinian side. By 11/16, following serious discussions between Israeli PM Benjamin Netanyahu and U.S. Secy. of State Hillary Clinton in New York on 11/11, U.S. officials were confident that a deal was near under which the U.S. would authorize major weapons sales to

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Israel, provide bilateral security guarantees, block any UN measures that “would try to shape a final peace agreement,” and take steps to prevent any similar action in any other international venue in exchange for a nonrenewable freeze extension of 90 days affecting the West Bank only. Questions remained over whether Washington might also agree to Israeli demands for U.S. guarantees of a long-term Israeli presence in the Jordan Valley and the U.S. release of Israeli spy Jonathan Pollard (see Quarterly Update in *JPS* 158 for details and background).

On 11/17, Netanyahu for the first time briefed his security cabinet on the latest U.S. offer, though a vote was not expected immediately. Despite the proposed deal's strong advantages for Israel, hardliners in Netanyahu's government were already mobilizing to block even the slightest settlement pause. Timed with the briefing, 14 of 27 Knesset members representing Netanyahu's Likud party, including 4 cabinet ministers, released an open letter stating their opposition to any further freeze extension. Likud's coalition partner, Shas, issued (11/17) its own declaration stating that it would not approve any deal restricting construction in East Jerusalem and that it wanted U.S. guarantees in writing before it would agree to another building freeze. Experts believed (see *New York Times* [NYT] 11/18) that the inner cabinet might approve the offer by 1 vote if the 2 Shas ministers abstained, but this was by no means a certainty. Netanyahu met with Shas leaders later on 11/17 to discuss their demands and sound them out on how they might vote. Shas indicated it would not abstain unless the U.S. put its offer in writing. Netanyahu's office, itself eager to have the U.S. officially document its offers, pointed to the Likud and Shas protests as proof that Netanyahu needed a written proposal if he hoped to push through a deal. State Dept. spokesman P.J. Crowley replied (11/19) that the U.S. would be willing to put “certain things in writing,” which sources believed (NYT 11/20) meant that the U.S. might put bilateral security guarantees in writing but nothing endorsing Israeli construction in East Jerusalem. On 11/21, a day after Jewish settlers rallied outside the prime minister's office to urge against another freeze, Netanyahu narrowed his margin of maneuver by publicly pledging: (1) that he would not take the U.S. offer to

his full cabinet unless it was in writing and (2) that the government would pay compensation to all settlers inconvenienced by a new freeze (a veiled warning to Washington that he might add new demands for U.S. assistance to cover the unanticipated budget expenditure). Meanwhile, Abbas, speaking in Cairo after meeting with Egyptian pres. Husni Mubarak, publicly reminded (11/21) Israel and the U.S. that whatever they might agree between themselves, the Palestinians would not go back to the negotiating table without a complete halt to settlement construction including in East Jerusalem, adding that the U.S. had still not briefed him on the proposed incentives package.

Adding to the constraints, the Knesset on 11/22 passed (65-33, with 22 absent) into law a bill drafted by Netanyahu's Likud party requiring a two-thirds Knesset majority or a national referendum to cede land in East Jerusalem to the Palestinians or in the Golan Heights to Syria. While West Bank lands, which were never annexed by Israel, would not fall under the new requirement, the Knesset on 11/23 approved (65-33) the 2d and 3d readings of another measure requiring a simple majority in a public referendum and the approval of 60 MKs before any territory, including in the West Bank, could be ceded in a peace agreement (see Quarterly Update in *JPS* 158 for background).

At the same time, Israel reinforced control over East Jerusalem, allocating (11/21) \$23 m. for a 5-year project to renovate and develop the Western Wall Plaza in the Old City, approving (11/29) rezoning of land in East Jerusalem to accommodate construction of 130 new housing units in Gilo settlement, and granting preliminary approval for construction of 625 housing units in East Jerusalem's Pisgat Ze'ev (done quietly in mid-to-late 11/2010, acknowledged by the Interior Min. on 12/1). Meanwhile, work was underway on some 1,600 settlement housing units that had been started since the partial construction moratorium expired on 9/26/10.

In a last-ditch effort to force a deal, the U.S. invited the Israeli and Palestinian negotiating teams to Washington and announced that Secy. of State Clinton would give a major Middle East policy statement at the Brookings Institute's Saban Center on 12/10 in hopes the sides could announce a resumption of direct talks at

the event. But as back-room discussions between Israel and the U.S. progressed though early 12/2010, it became clear to Washington that the likelihood was slim that another brief West Bank settlement freeze would jumpstart direct talks. On 12/7, the White House officially abandoned efforts to persuade Israel to reimpose the settlement freeze and took its generous package of diplomatic and security incentives off the table. The announcement came as senior Israeli and Palestinian negotiators began to arrive in the U.S. for Clinton's 12/10 speech and now uncharted consultations on the peace process.

More U.S. Shuttle Diplomacy

Clinton's 12/10 statement contained nothing of real substance, noting only that the administration, having concluded that talks on extending the settlement freeze would come to nothing, had opted to revive shuttle missions between the sides as the best possible way to achieve progress toward peace. U.S. special envoy George Mitchell would return to the region within days to urge the sides to work on all core issues simultaneously and would offer U.S. bridging proposals when appropriate. Though stating that the aim was still to achieve a framework agreement on final status, she now downplayed previous expectations that this could be achieved within a year. (Last quarter, the U.S. described a "framework agreement" as essentially a new interim agreement that would give the sides as many as 10 years to finalize a comprehensive final status treaty; see Quarterly Update in *JPS* 158 for background.) She also reiterated the U.S.'s "rock solid and unwavering" commitment to Israel's security. In comments certain to anger Palestinians, she referred to the Palestinians as "a people who have never had a state of their own" and to "the occupation that began in 1967," with no reference to 1948. On the sidelines of the conference, she held separate meetings (12/9 and 12/10) with PA PM Salam Fayyad, Palestinian chief negotiator Saeb Erakat, Israeli chief negotiator Yitzhak Molcho, Israeli DM Ehud Barak, and Israeli opposition leader Tzipi Livni (Kadima). The U.S. change of direction elicited no enthusiasm or optimism on either the Israeli or Palestinian side.

On 12/12, the PLO Exec. Comm. and Fatah Central Comm., convened by Abbas

in Ramallah, emerged with a statement that the Palestinian leadership continued to oppose any negotiations with Israel, direct or indirect, in the absence of a settlement freeze and that any further talks must be based on clear, explicit terms of reference, namely a two-state solution based on 1967 lines. Separately, Palestinian officials expressed (12/11) disappointment that the U.S. seemed to be blaming both sides for the failure to resume direct talks, stating that Israel's continued illegal settlement construction was fully to blame. On 12/15, the Arab League stated that it would support a suspension of direct and indirect Palestinian-Israeli negotiations until the U.S. offered a serious proposal to advance peace.

Mitchell returned to the region on 12/13-14 for the first time in 3 months. (His last visit was when he took part in a 9/15/10 meeting between Abbas, Clinton, and Netanyahu.) He asked Israeli and Palestinian leaders each to give the U.S. their final status positions in writing so that the U.S. could recommend bridging proposals, saying the U.S. preferred to focus first on borders. (The Israeli daily *Ma'ariv* later revealed, on 1/3/11, that the Palestinian side had already tried to present its positions in writing twice: On 9/15/10, Abbas had attempted to give Netanyahu "an official Palestinian document . . . consisting of two printed pages, with the proposed Palestinian solution on . . . security arrangements and borders," but Netanyahu had refused to read or discuss it. In a meeting in Washington in late-9/2010, Erakat had attempted, in the presence of U.S. mediators, to give Molcho a booklet bearing the PA logo. However, "when the Israeli inquired as to the content of the booklet, Erakat said that this was, in effect, the detailed and updated Palestinian peace plan, with the detailed Palestinian positions on all the core issues. Molcho refused to take the booklet or examine it.")

Meanwhile, *Newsweek* (12/11), citing anonymous Israeli and Palestinian sources, revealed that during the 9/15/10 talks, Netanyahu had told Abbas that the Palestinians must accept Israel's "security concept" before he would discuss other final status issues, including borders. The concept involved: (1) keeping Israeli troops stationed in a buffer zone along most of the Palestinian side of the West Bank-Israel seam line that would be several miles

wide at some points, to “protect Israel’s narrow waistline”; and (2) keeping an IDF presence in the Jordan Valley to “protect against the possible rise of a hostile Islamic state in Jordan”—the very points Israel would later try to secure from the U.S. as security guarantees when negotiating the incentives package (see above). Netanyahu did not present maps, but Abbas’s team estimated, based on his comments, that Palestinians would be left with just 60% of the West Bank. (Previous Israeli leaders had offered 90–95%.) Abbas reportedly countered the Israeli demand in a position paper that Netanyahu refused to receive (possibly the Erakat document offered to Molcho mentioned above) that Israel cede 98.2% of the West Bank and that U.S. or other third-party troops to be stationed on Palestinian territory to guarantee Israel’s security.

On 12/19, the head of the PLO office in Washington, Maen Areikat, confirmed the gist of the *Newsweek* story, stating that the Palestinians “will accept any [security] arrangement short of Israeli military presence on the soil of a future Palestinian state” and that any combination of international forces that “is acceptable to the Israelis, we will not have a problem.” Moreover, he said, the Palestinian side would accept a Palestinian state with “limited military capabilities,” including no offensive capability. He stated that the Palestinian side had made an official offer to this effect to the Obama administration, which had passed it on to Israel. Israel’s Strategic Affairs Min. dir. gen. Yossi Kuperwasser replied (12/19) that Israel “cannot rely on foreign forces. . . [A]n Israeli presence in the Jordan Valley needs to be part of any agreement.”

However interesting the revelations about the exchanges of 9/2010, prior to Israel’s resumption of settlement construction and the PA’s suspension of negotiations, the fact remained that the process was at an impasse. In the weeks after Mitchell’s 12/13–14 visit, there were no signs that either side was preparing to respond to his request for written position papers for a quick revival of indirect negotiations, but instead, they seemed preoccupied with pleading their cases publicly. Abbas hosted (12/19) a kosher lunch in Ramallah for 60 Israeli lawmakers, former generals, and peace activists (including members of Kadima, Labor, Likud, Shas,

and the ultra-Orthodox media) to urge them to tell the Israeli public that his government was committed to nonviolence and achieving peace. He reiterated, however, that the Palestinians would not take part in direct or indirect talks until Israel halted all settlement construction. Abbas also publicly called (12/31) on the international community to find a new formula for peace talks, saying current U.S.-led efforts were “managing the conflict but not solving it,” going as far as urging the Quartet to “draft a peace plan” based on UN resolutions.

Meanwhile, Netanyahu on 1/2 told the press that he was ready to hold continuous negotiations in private with Abbas to address final status issues, but PA chief negotiator Saeb Erakat replied (1/2) that Israel must first explicitly agree to the 1967 borders and a two-state solution as the basis of talks (which Netanyahu had thus far refused). On 1/6, Netanyahu met in Sharm al-Shaykh with Egyptian pres. Mubarak to urge him to press the Palestinians to return to “direct, intensive, and serious negotiations,” but Mubarak replied that Israel must change its stance on settlement construction if it hoped to achieve peace, blaming it for the impasse. Around this time, Israeli FM Avigdor Lieberman declared (12/26) that peace with the Palestinians was impossible under current conditions and urged support for Netanyahu’s vision of a long-term interim agreement on security and economic matters instead, inadvertently disclosing that for all the PM’s talk of wanting to discuss core issues, he had not said he wanted to discuss all core issues or that he sought a comprehensive agreement.

The negotiations impasse caused some strains within Netanyahu’s governing coalition. Senior Labor party MKs Avishay Braverman and Isaac Herzog said (1/5) there was a consensus within the party to leave the coalition if there was no progress on the peace process by 4/2011. Israeli DM Barak preempted their move, however, by resigning (1/17) as head of the Labor party, taking 4 right-leaning party members with him to form a “new centrist Independence faction” within Netanyahu’s governing coalition. Barak vowed that the future party would be “centrist, Zionist, and democratic,” accusing the Labor party of having drifted out of the mainstream into a “militant socialist left-wing

party.” The 8 remaining Labor MKs, who had for months threatened to oust Barak and withdraw from the coalition to protest the lack of movement on the peace process, immediately withdrew from the coalition, leaving Netanyahu with a smaller but more stable coalition, controlling 66 of 120 Knesset seats.

On the ground, Israel continued to assert its authority over East Jerusalem, notably by beginning (1/9) long-planned work to demolish the historic Shepherd Hotel site in East Jerusalem’s Shaykh Jarrah neighborhood to make way for a controversial new settlement housing project. (The site, built in the 1930s as a villa for the grand mufti of Jerusalem, was seized by the Israeli government as “absentee property” and, despite a legal claim by the mufti’s family, sold to American settlement financier Irving Moskowitz in 1985 for development. The Netanyahu administration gave the go-ahead to begin the project in 3/2010.) On 1/17, Israel’s Jerusalem planning comm. approved construction of 92 new housing units in Talpiot settlement and another 32 new apartments in Pisgat Ze’ev settlement. While the U.S. did not comment on the 1/17 approval, Secy. of State Clinton called the Shepherd Hotel project “disturbing.” Netanyahu rejected her criticism, saying the project was a private initiative in which the government is not involved, stating “there should be no expectation that . . . Israel will impose a ban on Jews purchasing private property in Jerusalem.”

Recognition of Palestine

Meanwhile, the Palestinians, searching for an alternative way forward in absence of negotiations, focused on gaining international recognition of the PLO’s 1988 unilateral declaration of statehood based on the 1949 armistice lines. One approach considered by the leadership was to convince the UN and other international organizations to recognize a de facto Palestinian state occupied by Israel. Another tack was to have individual states, particularly in Europe and Latin America, provide recognition. Abbas personally reached out to Latin American leaders in 11/2010 to urge them to recognize the 1988 declaration, while PLO officials in Central America and East Asia urged the countries where they were stationed to do the same (citing as precedent the recognition granted

by Costa Rica in 2008 and Venezuela in 2009, following earlier recognition by Cuba and Nicaragua). A number of states responded positively, including Argentina (12/6), Bolivia (12/22), Brazil (12/1), Ecuador (12/24), Paraguay (1/28), and Uruguay (12/6), which all recognized Palestine as “a free and independent state” within the 1967 borders. Chile (1/7), Guyana (1/14), and Peru (1/26) also recognized “a sovereign Palestine,” but said the borders must be agreed with Israel. Abbas lay the cornerstone of the future Palestinian embassy in Brazil on 12/31.

In Europe, EU FMs stated (12/13), that the EU itself would not recognize a unilateral Palestinian declaration of statehood until “an appropriate time.” Ireland, however, bilaterally upgraded (1/25) the PLO “delegation” to a “mission” and granted ambassadorial status to the head of mission, though it did not recognize Palestine as a state or give the mission greater diplomatic privileges or immunities. Norway, which is not an EU member, did the same on 12/15. (France, Spain, and Portugal had set precedent for such action in 7/2010, 9/2010, and 10/2010 respectively, after the U.S. made symbolic upgrades to the status of the Palestinian mission in Washington in 7/2010; see Quarterly Updates in *JPS* 157, 158) By the end of the quarter there were indications that Austria, Belgium, Britain, Denmark, Finland, Germany, Luxembourg, Malta, Sweden, and perhaps others were considering similar action.

By mid-12/2010, the Palestinians and Arab states had also begun drafting a UN Security Council (UNSC) res. urging the international community to denounce Israeli settlement activity, using wording that artfully pieced together official U.S. statements on settlements to make it harder for the U.S. to object or veto (see the report by Graham Usher in this issue). The aim of the draft res. was: (1) to press the U.S. to honor its statements about the illegality of settlements and the need to end construction; (2) to urge the U.S. to take serious steps to revive peace talks; (3) to provide Abbas with political cover for not returning to negotiations; and (4) to gauge potential support at the UN for a res. recognizing the PLO’s 1988 unilateral declaration of statehood.

Israel, which initially responded to the PA’s efforts abroad by opening quiet talks with Latin American countries to prevent

other nations from following Brazil's suit, was alarmed by the draft UNSC res. efforts, as well as internal assessments in late-12/2010 that the PLO's European efforts were gaining traction. On 12/20, the Israeli FMin. ordered its envoys abroad to launch an "urgent" diplomatic and public relations campaign to thwart the Palestinian efforts, provided its envoys with a "legal position paper" to pass on to their interlocutors that argued the Palestinian actions amounted to unilateral efforts to prejudge final status and thereby "violated and subverted" existing peace agreements in which the Palestinians had pledged that final status issues be agreed between the sides. At the same time, U.S. officials began approaching Arab diplomats in Washington and at the UN to stress the administration's view that the draft UNSC res. condemning settlement activity was "unwise and unhelpful" and should be abandoned, with Secy. of State Clinton saying (1/9): "We continue to believe strongly that [the UN] is not the place to resolve the longstanding conflict and outstanding issues between the Israelis and the Palestinians."

Undeterred, Lebanon introduced the draft res. to the UNSC for debate on 1/19. But attention to the measure was quickly overshadowed by major protests in Egypt and across the region (see "Regional Affairs" below) and the release of the "Palestine Papers" on 1/23 (see section below). By late 1/2011, some EU states had joined the U.S. in urging against the measure, believing that a U.S. veto would fuel anti-Western sentiment and instability in the Middle East. (In fact, the regional unrest and protests focused on domestic authoritarian rule and economic pressures, and did not mention the Palestinian cause.) The U.S. and EU ultimately convinced Abbas to delay efforts on the measure until after a Quartet meeting on 2/5, suggesting that the Quartet would issue a strong statement supporting a two-state solution based the 1967 lines as the terms of reference for negotiations.

The Palestine Papers

On 1/23, as Mitchell's efforts to revive negotiations foundered, the Qatar-based al-Jazeera satellite TV and Britain's *Guardian* newspaper released a set of documents written by Palestinian officials (the "Palestine Papers") claimed to constitute "the confidential record of 10 years of efforts to seek

a peace agreement with Israel." The more than 1,600 pages of documents dating from 1999–9/2010 came mostly from the PLO Negotiation Affairs Dept. (PLONAD) and its successor body, the Negotiations Support Unit (NSU) headed by chief negotiator Saeb Erakat, and included memos, emails, maps, minutes from private meetings, accounts of high level exchanges, strategy papers, and Power Point presentations. The papers were leaked (apparently by several PLONAD/NSU staff) to al-Jazeera, which had set up its own version of WikiLeaks (see "United States" below), encouraging individuals to leak key secret documents via a website that guarantees anonymity. Timed with the release, al-Jazeera launched a 4-night series (1/23–26) of hour-long programs to discuss the contents of the leaked material thematically: Jerusalem, settlements, and borders; refugees and right of return; PA security coordination with Israel; and the negotiations process.

Al-Jazeera contended, and many outraged Palestinians agreed, that the documents showed that Palestinian negotiators had secretly made serious concessions to Israel, including steep compromises on Jerusalem, borders, settlements, and refugees while at the same time colluding with Israel on security matters at the expense of national unity, most pointedly during Israel's 2008–9 Operation Cast Lead (OCL) targeting Hamas in Gaza. While the Palestinian leadership was damaged by the evidence of greater and greater concessions with nothing in return, the documents were also problematic for Israel—showing that the Palestinians repeatedly offered serious proposals for discussion that Israel consistently refused to consider or to reject as insufficient, undermining Israel's public claims that it actively sought peace but had no Palestinian partner. Finally, U.S. officials overwhelmingly came across as condescending to and dismissive of the Palestinians and broadly supportive of Israel's demands, seriously undermining U.S. claims of being an honest broker (see Special Document section in this issue for excerpts of papers dealing with the U.S. role). Many analysts, however, saw little new in the papers, arguing that the arc of negotiations was well known to those who followed the peace process closely (though the details in and tone of some documents did constitute revelations) and that what the documents highlighted

especially was the Palestinian leadership's failure to prepare its public for concessions. Others noted that the negotiations had long been held behind closed doors and under media blackout precisely because broad sectors in Israel and among Palestinians were loath to any concessions, and that the sides felt that solid agreements had to be firmly nailed down in private before they could be "picked apart" by the public.

This being the case, al-Jazeera's motives were questioned and its handling of the papers arguably diminished their impact. The outlet had long been seen as anti-Abbas and by some as pro-Hamas, and its handling of the leaks was widely seen as gratuitously harsh on the PA. Al-Jazeera took particular criticism for: (1) announcing the leaks by inviting Erakat for a routine interview and springing the news on him; (2) bringing selected (anti-Abbas) journalists to Qatar a week in advance to allow them full access to the documents, grooming them to be expert stringers and commentators once the papers were released; and (3) routinely sensationalizing its reporting, including taking quotes from the documents out of context, stringing together quotes in questionable fashion for effect, and deliberately mistranslating the statements of PA officials about the leaks from Arabic into English to make them appear foolish.

The official PA/PLO reaction was critically split: Erakat called (1/23) the leaks "a bunch of lies," while former PLO lead negotiator Ahmad Qurai' alleged (1/23) that some of the documents had been faked "as part of the incitement against the Palestinian Authority and the Palestinian leadership." PLO Secy.-Gen. Yasir 'Abid Rabbuh accused (1/23) al-Jazeera of manipulating the media in the service of Hamas. Abbas, however, denied nothing, instead dismissing (1/23) the leaks as a nonissue, stating that negotiations had been carried out openly and that his fellow Arab leaders were well aware of their contents. Hamas called (1/23) the leaks proof that Fatah was "attempting to liquidate the Palestinian cause." Israel and the U.S. refused to comment, saying they could not vouch for the documents' authenticity.

Jerusalem, Settlements, and Borders

Among the concessions on Jerusalem revealed in the leaks that most angered

Palestinians was a statement in minutes of a 6/2008 meeting citing Qurai', meeting with then-Secy. of State Condoleezza Rice and Israeli counterparts, as "propos[ing] that Israel annexes all settlements in Jerusalem," except for Har Homa/Jabal Abu Ghunaym, noting that "this is the first time in history that we make such a proposition," offering in effect to cede such key areas as Shaykh Jarrah and possibly Silwan. Nonetheless, the Israeli delegation rejected the offer as "not going far enough" and did not make a counterproposal. Erakat was later quoted on 10/21/09 as stating (albeit in a private capacity) to a Mitchell aide regarding Jerusalem: "It's solved. You have the Clinton Parameters formula. For the Old City sovereignty for Palestine, except the Jewish quarter and part of the Armenian quarter. . . . [T]he Haram can be left to be discussed . . . there are creative ways, having a body or a committee, having undertakings for example not to dig. The only thing I cannot do is convert to Zionism." In a 1/15/10 meeting with U.S. Dep. Asst. Secy. of State David Hale, Erakat further stressed that the Palestinian position (as apparently laid out in writing to the U.S., but not released) gave Israel "the biggest Yerushalayim in Jewish history, symbolic number of refugees return, demilitarized state. . . . What more can I give?"

Documents also confirmed that then-PM Tzipi Livni (Kadima) on several occasions in 2008, most explicitly on 6/21/08, suggested that Israeli Palestinian border villages (including Bayt Safafa, Barta'a, and Baqa al-Gharbiyya) be included in land swaps under a final status agreement. Israeli leaders had discussed this idea internally for many years as a way of reducing the Arab population of Israel, but this marked the first confirmation that Israel actually made the proposal formally. In a 10/29/08 memorandum, Palestinian negotiators noted that they had rejected the notion that Israeli Palestinians could be included in land swaps. Meanwhile, Abbas (in 4/2008) and Erakat (in 6/2008) were quoted as recommending a binational state as a solution to the conflict, calling it their "best alternative to a negotiated agreement."

The papers also included a rendering of a "napkin map" drawn by Abbas based on 8/2008 talks with then-PM Ehud Olmert showing areas in the s. West Bank and along the border of the Gaza Strip that

Israel proposed to give the Palestinians in exchange for around a dozen Jewish settlement blocs comprising about 10% of the West Bank. Olmert had shown a prepared map showing exact locations to Abbas during the meeting but had not allowed him to keep a copy. The PA never explicitly accepted or rejected any aspect of the proposal.

One of the most pointed exchanges revealed by the leaks was a 5/2008 conversation between Erakat and Livni over borders in which Erakat asked sarcastically: "Short of your jet fighters in my sky and your army on my territory, can I choose where I secure external defense?" Livni replied: "No. In order to create your state you have to agree in advance with Israel—you have to choose not to have the right of choice afterwards. These are the basic pillars."

Another document cited Livni as admitting to Qurai' in 11/2007 that for years before her coalition came to power the Israeli government policy toward settlement building was "to take more and more land day after day and that at the end of the day we'll say that [creation of a Palestinian state] is impossible, we already have the land and we cannot create the state."

Refugees and Right of Return

The cables containing the most important new details of the negotiations concerned refugees. These revealed that ca. 8/2008, Palestinian negotiators proposed limiting the number of the 5 million Palestinian refugees worldwide that would return to Israel to 100,000 over 10 years. Israel responded by offering to take in 1,000 refugees a year for 5 years on "humanitarian grounds"; to acknowledge the "suffering" of refugees, but not take responsibility for creating the refugee problem; and to contribute (along with other nations) to a compensation fund for refugees "based on suffering," without acknowledging any responsibility. The Palestinian side rejected this as insufficient, pressing the issue of Israeli responsibility. In addition, an undated internal briefing memo cited Abbas as telling colleagues that "we cannot demand the return of millions [of refugees], as this will end Israel," which many Palestinians viewed as Abbas ceding the right of return.

Also of note: Minutes of a 3/23/07 meeting cited Erakat as telling the Belgian FM that a national referendum on a peace

agreement would not include diaspora Palestinians. He stated: "I never said the diaspora will vote. It's not going to happen. The referendum will be for Palestinians in Gaza, the West Bank, and East Jerusalem. Can't do it in Lebanon. Can't do it in Jordan."

PA Security Coordination with Israel

Al-Jazeera pointed up in its commentary 11 cables purporting to show Israeli coordination with Egypt and the PA during OCL, but the leaked material revealed nothing new, showing only that Israel routinely warned Egypt before bombing the Rafah border so Egypt could protect border security officers, and that the IDF and PA security forces (PASF) discussed ways of ensuring that Palestinian protests did not escalate into IDF-Palestinian clashes during OCL, such as keeping IDF troops away from Palestinian population centers.

Far more damaging to the PA were statements made urging greater security coordination with Israel and praising coordination efforts. Most noted were the minutes of a 2005 meeting between PA Interior Min. Nasr Yusuf and Israeli DM Shaul Mofaz in which Yusuf complains: "Coordination between us is weak, and that applies to all cooperation levels, and our work is a consequence of yours." Asked what Israel could do, Yusuf replied: "Quick communication of information. You deal with everything on your own. We can take measures in the West Bank if you give us information. But you act and we pay the price. . . . [We need] cooperation on the basis of a division of roles and cooperation for the sake of good security work." In the same conversation, Mofaz asked about al-Aqsa Martyrs Brigades (AMB) military commander Hassan al-Madhun, saying: "We know his address and Rasheed Abu Shabak knows that. Why don't you kill him?" Yusuf replies, "We gave instructions to Rasheed and will see." The IDF assassinated Madhun roughly a month later (see Quarterly Update in *JPS* 138). As an example of the fawning tone of some of the statements that generated criticism, Abbas was recorded as noting "with pleasure the fact that [then Israeli PM Ariel] Sharon considered him [Abbas] a friend, and the fact that he too considered Sharon a friend," and that he had told the Israelis that "every bullet that is aimed in the direction of Israel is a bullet aimed at the Palestinians as well."

The papers also revealed important new details about British efforts to support the PASF prior to establishment of the U.S. special coordinator's mission. Key among these was a 1/3/03 British MI6-proposed security blueprint for the PA that envisioned among its steps: "Degrading the capabilities of the rejectionists— Hamas, PIJ, and the AMB— through the disruption of their leaderships' communications and command and control capabilities; the detention of key middle-ranking officers; and the confiscation of their arsenals and financial resources held within the Occupied Territories. U.S. and— informally—UK monitors would report both to Israel and to the Quartet. We could also explore the temporary internment of leading Hamas and PIJ figures, making sure they are well treated, with EU funding." The authors stated that "the UK is already working with trusted PA contacts to have a security drive drawing on UK input adopted by the PA leadership," but there was no proof that it ever was.

The Negotiations Process

Key among the cables exposing details about the peace process in general were several showing the U.S. administration attempting to set aside the 4/2003 road map requirements for moving the peace process forward, even while the U.S. and Israel continued to press the Palestinians to meet their road map obligations. To those who followed the peace process, these were not revelations: After all, the U.S. initially co-opted the drafting of the road map from the EU to water down the requirements on Israel, and Israel only accepted the road map with a string of caveats that essentially undid its provisions (see Quarterly Update and Special Document file in *JPS* 128). Nonetheless, the U.S.'s stark abandonment of the road map in closed-door talks with the Palestinians was shocking and damaging to the U.S.'s image as an honest broker (see the Special Document File in this issue for more detail). Moreover, in at least 1 exchange (10/2/09), U.S. special envoy Mitchell implied that the 11/2005 Agreement for Movement and Access baseline provisions for easing restrictions in the West Bank may no longer be relevant, since "nothing is agreed until everything is agreed." Several documents refer to a 10/2/09 U.S. draft of an agreed terms of reference document for resuming stalled negotiations that aimed to have the

Palestinians agree to "refrain from pursuing . . . any initiative . . . in international legal forums" during negotiations—a key demand of Israel. The Palestinians rejected the wording as "totally unacceptable."

U.S. officials over the years were also shown to be callous and dismissive of the Palestinians' positions. Former Secy. of State Condoleezza Rice was quoted in minutes of a 7/16/08 meeting as saying the Palestinians should drop key demands for refugee compensation and Israeli acknowledgement of its role in creating the refugee problem, stating: "Bad things happen to people all around the world all the time. You need to look forward." She also came across as blindly accepting of Israel's positions, for example telling Palestinian negotiators in 7/2008 that if they kept insisting that Israel give up Ma'ale Adumim and Ariel settlements deep inside the West Bank, then "you won't have a state," because no Israeli leader would agree. In a 9/24/09 meeting in which Erakat asked if the U.S. understood that the Palestinians would not resume negotiations without a settlement freeze in Jerusalem, Dep. Asst. Secy. Hale responded: "Our reaction is that obviously it is no surprise you are unhappy if the settlement package has imperfections (in this case Jerusalem)—but if you want a perfect settlements package, you just won't get it." More recently, U.S. special envoy Mitchell was cited as being so dismissive of Palestinians' minimal needs that Erakat questioned how he himself could function if he were perceived as so weak as to be "the joke of my own wife."

The leaks also showed U.S. officials threatening to cut off aid to the PA if Abbas resigned or his leadership team changed: U.S. Asst. Secy. of State David Welch stated in 11/2008 that "the new U.S. administration expects to see the same Palestinian faces (Abu Mazin [Mahmud Abbas] and Fayyad) if it is to continue funding the Palestinian Authority." Secy. of State Clinton stated in late 2009 that "Abu Mazin not running in the election is not an option—there is no alternative to him." (Abbas, faced with the strong prospect he would not win reelection, subsequently canceled elections.)

The Changing Peace Process Dynamic

The release of the Palestine Papers created, at least temporarily, a new dynamic

surrounding the peace process. Compounding the unsettling leaks (1/23–26) was the simultaneous outbreak (beginning on 1/25) of serious unrest in Egypt aimed at ousting Mubarak, Abbas's closest regionally ally. Abbas briefly permitted Fatah cadres to organize small West Bank demonstrations against al-Jazeera and in support of the PA (1/23, 1/24, 1/28) and Mubarak (1/28, 2/2) and personally phoned Mubarak on 1/28 to express his support, but the moves were clearly unpopular on the street, where the public did not join in the events. (Some 150 Palestinians in Ramallah staged a spontaneous counterdemonstration in support of Egyptian protesters on 2/2 and were forcefully dispersed by PA riot police.) Meanwhile, in Gaza, Hamas rallied (1/26, 1/28) 1,000s of supporters in Gaza City to denounce Abbas and other PA officials as traitors over the Palestine Papers and organized a sit-in (2/3) in solidarity with Egyptian protesters attended by 1,000 Gazans. The magnitude of the demonstrations in Cairo on 1/28, however, was unsettling for regional leaders and marked a clear turning point for the prodemocracy protests regionwide (see "Regional Affairs" below). Thereafter, concerned with how the domestic and regional changes could bode, the PA in the West Bank and Hamas in Gaza both banned demonstrations in solidarity with the Egyptian protesters and largely reserved comment about the regional prodemocracy protests until Mubarak fell on 2/11.

The turn of events shook the PA. In a bid to shore up support, clamp down on dissent, and appear to be taking popular criticism seriously, the PA rapidly announced (on 1/31, after internal discussions within Fatah on 1/30) that it would hold long-delayed Palestinian municipal, legislative, and presidential elections as quickly as possible, by 2/12 setting target dates as 7/2011 for municipal elections and 9/2011 for presidential and legislative elections (see more in "PA elections" below). Abbas meanwhile convened (1/30) his security chiefs to discuss contingencies if major protests against the PA erupted in the West Bank and announced (1/30) formation of a PA comm. to investigate the Palestine Papers leak. (Separately, Erakat's NSU office released 1/31 its own internal assessment, concluding that al-Jazeera deliberately took the documents out of context to smear the PA.) On 2/12, Erakat

resigned as Palestinian chief negotiator, not because of the substance of the leaks but because they happened on his watch. Abbas did not accept his resignation. On 2/14, the PA Executive Authority, Abbas's cabinet, resigned as well. Abbas immediately reappointed Fayyad as PM to form a new government, a move seen primarily as an effort to broaden Abbas's support base before the elections.

Israel, meanwhile, was glued to events in Egypt and Jordan, where by 2/1 government protests had caused King Abdullah to form a new government (see Jordan section below). Feeding Israel's unease, Hizballah only days before had brought down the Lebanese government and been tapped to form its successor (see Lebanon below). Israeli officials were in daily contact with their U.S. counterparts to press the U.S. to shore up Mubarak and express concern over developments (to the point that an anonymous senior administration official publicly called on Israel on 2/4 to "please chill out"). Netanyahu held urgent meetings with his senior intelligence experts and cabinet members to weight the potential fallout if Mubarak's government fell. Internal Israeli security discussions included (by 2/3) consideration of possibly reclaiming control of the Philadelphi Corridor along the Rafah-Gaza border and significantly increasing the military budget and expanding the IDF to defend against a threat from Egypt if Mubarak were ousted and a new, potentially Islamist, government abrogated the peace treaty with Israel and began aiding Hamas in Gaza. (Israel also notably allowed Egypt on 1/30 to move 2 battalions [800 soldiers] into the Sinai for the first time since the 1979 peace treaty required the area to be a demilitarized zone. A request for an additional deployment was rejected on 2/7.)

Despite the turmoil, Israel and the PA did keep an eye on the upcoming 2/5 Quartet meeting. In the run-up to the session, Israeli officials quietly urged the Quartet to postpone the session, saying the timing was not right given Egyptian unrest. When it became clear the meeting would go ahead, Netanyahu, to demonstrate positive movement beforehand, announced (2/4) that Israel, in consultation with Quartet special envoy Tony Blair, had drawn up a package of proposed steps to encourage infrastructure development and economic growth in the West Bank, Gaza, and Arab

areas of East Jerusalem to “enhance stability” by improving the Palestinian quality of life. The ideas, in keeping with Netanyahu’s vision of an economic (as opposed to comprehensive) peace, included: (1) a proposed joint project to develop a natural gas field spanning Palestinian and Israeli waters off the Gaza coast, with the Palestinian portion of revenues going to finance the PA; (2) Israeli agreement in principle to allow electricity, sanitation, and water projects for Gaza that would allow Gaza to “free itself” from Israeli infrastructure (i.e., allowing Israel to delink Gaza from its water and electricity grids); (3) Israeli agreement in principle to extend PA security control to 7 West Bank towns currently under Israeli security control; (4) “fast tracking” permit requests for construction of schools and clinics in West Bank area C; and (5) pledges to improve infrastructure in Arab neighborhoods of East Jerusalem. The ideas, while substantive, also constituted items that were already either the Palestinians’ by right (natural gas) or that Israel was duty-bound to provide under existing agreements or international law (schools and clinics, infrastructure, transfer of security control). Moreover, Netanyahu was clear that they were not yet formally on offer to the Palestinians. Blair similarly cautioned (2/4) that Israel’s “agreement to all this is not the same as implementation” and that “none of this is a substitute for a credible political process.”

The Quartet meeting in Munich on 2/5 ultimately marked a sharp climb-down for the U.S. and its partners, essentially complying with Israel’s requests to defer discussions. The Quartet’s final statement called on Israel and the Palestinians to move quickly toward final status in light of the unrest in Egypt and noted that a prolonged impasse would be detrimental to regional stability. It “regretted” Israel’s decision to resume settlement expansion and announced plans to meet with the Israeli and Palestinian sides separately before its next meeting in 3/2011 to push for a resumption of negotiations, but it failed altogether to make a strong statement calling for an immediate halt to Israel’s settlement construction or reaffirming 1967 borders as the basis of negotiations towards a two-state solution, as the Quartet had led Abbas to believe. The PA issued (2/5) a sharp statement denouncing the Quartet for abandoning the Palestinians and

stating that Israel’s occupation should be addressed as the leading cause of regional instability. The PLO and Arab states quickly revived efforts on the UNSC settlement res. the U.S. had pressed it to defer. As the quarter closed, the Palestinians were moving the settlement res. toward a vote, in hopes that strong support for the measure would lay the groundwork for an even more significant UN resolutions seeking recognition of a de facto Palestinian state come 9/2011—the PA’s target date for fulfillment of PA PM Fayyad’s 2-year institution-building plan.

Prisoner Release Talks

Once again this quarter, no progress was reported on prisoner swap talks between Hamas and Israel. On 11/29, the chief German mediator Gerard Conrad traveled to Gaza to deliver Israel’s latest offer to Hamas (no details released). He did not expect to receive a response until after Hamas leaders from Gaza Strip met with the leadership in Syria. However, a date was not immediately announced and after Egypt’s closure of the Gaza border on 1/30, Hamas officials were unable to go to Damascus.

Independent Initiatives

The Israeli daily *Ha’Aretz* reported (1/23) that Israeli FM Avigdor Lieberman of the right-wing Yisrael Beiteinu party had drawn his own map of provisional borders of a Palestinian state that (according to a FMin. official close to Lieberman) would essentially “freeze the existing situation in the territories, with minor changes”—i.e., the PA controlling areas A and B (comprising 40% of the West Bank), with adjustments that would give the PA control of an additional 3–8% of West Bank land. Lieberman had reportedly briefed Netanyahu on the map but had not shown it to him or made it public. He argued that by taking the diplomatic initiative and proposing the outlines of a provisional Palestinian state, Israel would: (1) preempt Palestinian efforts to secure international recognition of such a state on the 1967 borders; (2) portray Israel as interested in making progress toward peace; (3) put the Palestinians in the position of rejecting statehood if they rejected the proposal; and (4) possibly jumpstart negotiations, in which Israel might agree to further territorial concessions. The map, according to the FMin. official, included a network of new roads

linking the areas under Palestinian control in order to provide "territorial contiguity that would enable the Palestinian state in provisional borders to be viable."

In his memoirs published on 1/27, *fmr.* Israeli PM Ehud Olmert detailed his last meeting with Abbas (9/16/08) in which he offered the Palestinians a border deal that would leave Israel with 6.5% of the West Bank. Olmert said he showed Abbas 2 maps of Israel and the West Bank detailing a 1:1 land swap. According to the memoir, Abbas had asked for copies of the maps, but Olmert refused, saying "Take the pen and sign now. You'll never get an offer that is fairer or more just. Don't hesitate." Abbas asked for "a few days" to discuss the ideas with his map experts, but the leaders never met again. Olmert also claims that final status security arrangements had been "finalized": a Palestinian state would be demilitarized and would not be allowed to enter into military treaties with any state that did not have diplomatic relations with Israel; a U.S. military presence (no Israeli participation) would be stationed on the border with Jordan; Israel would have military and civilian overflight rights. Many of the details were corroborated by the Palestine Papers leaked days before, including Olmert's claim that he offered to accept 1,000 Palestinian refugees per year for 5 years under final status, which Abbas rejected as "far too low."

Intifada Data and Trends

During the quarter, at least 36 Palestinians and 1 Israeli were killed in Israeli-Palestinian violence (compared to 31 Palestinians and 4 Israelis last quarter), bringing the toll at 2/15 to at least 7,749 Palestinians (including 51 Israeli Arabs and 19 unidentified Arab cross-border infiltrators), 1,102 Israelis (including 354 IDF soldiers and security personnel, 220 settlers, and 528 civilians), and 65 foreign nationals (including 2 British suicide bombers). These numbers include individuals who died in noncombat-related incidents if their death was a direct result of Israel's occupation and the ongoing conflict, such as ailing Palestinians denied access to medical care and Palestinians killed in accidents in smuggling tunnels.

Overview of the Violence

Overall, Israeli-Palestinian violence was low in the West Bank and moderate in Gaza (see Chronology for details).

In **East Jerusalem**, 1 Palestinian was killed (the same as last quarter) when he and a friend were attacked and stabbed by Jewish settlers in the city. The other Palestinian was wounded.

In the **West Bank**, a total of 7 Palestinians were killed this quarter (compared to 4 Palestinians and 4 Jewish settlers last quarter). An unusual number of West Bank incidents involved the IDF opening fire on Palestinian civilians approaching checkpoints, raising concerns about the IDF's open-fire regulations: IDF troops at the al-Hamra checkpoint near Nablus fatally shot 2 Palestinians: 1 who approached (1/2) the crossing carrying a "suspicious" glass bottle (the Israelis later admitting he did not pose a threat) and 1 who ran (1/8) towards the crossing (the IDF claimed he had bag containing explosive material, which Palestinians denied). In 2 incidents (12/22, 1/23), IDF troops fired on cars driving quickly towards checkpoints, wounding 4 unarmed Palestinians. On 1/20, an Islamic Jihad member did stage an attack on an IDF checkpoint near Jenin, but was fatally shot by IDF troops before he could cause any harm. In addition, IDF undercover units searching for a wanted Hamas member stormed the wrong apartment in Hebron on 1/7, fatally shooting a 66-yr.-old Palestinian man asleep in his bed. The IDF initially said the man ran at soldiers and they shot in self-defense, but the bloodstained pillow and mattress confirmed his wife's story that he was asleep when soldiers entered firing. In addition, a Palestinian woman demonstrating against the separation wall in Bil'in on 12/31 was hit in the chest by a IDF tear gas canister and died a day later of her injuries. Jewish settlers fatally shot (1/27, 1/28) 2 stone-throwing Palestinian teenagers.

The only serious West Bank clash this quarter took place on 1/29, when IDF soldiers in an observation tower at the entrance to Bayt Umar village near Hebron fired tear gas and percussion grenades at Palestinian mourners leaving the funeral of the Palestinian teen on 1/28, sparking clashes in which 25 Palestinians were lightly injured and 2 were arrested.

This quarter, the average number of IDF searches per week in the West Bank, as recorded by the UN Office for the Coordination of Humanitarian Affairs (OCHA), declined slightly from 93 to 92. As was the case last quarter, many IDF incursions

into Palestinian population centers were to patrol as a show of force, without conducting arrest raids, house searches, or the like. The IDF also often issued Palestinians summons to appear for interrogation rather than detaining them immediately. Of particular note: The IDF escorted plain-clothed units (suspected Shin Bet) into Rafat village near Salfit on the morning of 12/17, where the group paused outside the local mosque, pointing at it and taking notes. This followed a number of incidents in last 2 quarters of the IDF escorting similar units into Palestinian towns to photograph PA security compounds (see Quarterly Updates in *JPS* 157, 158).

In Gaza, a total of 28 Palestinians and 1 IDF soldier died and at least 89 Palestinians, 4 IDF soldiers, and 3 Thai laborers were injured in Israeli-Palestinian violence this quarter (compared with 25 Palestinian killed and 60 Palestinians and 3 IDF soldiers injured last quarter). As in previous quarters, most Palestinian casualties occurred near the border fence. The IDF soldier was killed by friendly fire (see below).

The IDF continued routinely to fire warning shots at Palestinian civilians scavenging for construction materials in the former Jewish settlement sites and the demolished Erez industrial zone near the northern border (wounding 38), at farmers and shepherds who strayed too near the border (killing 1 and wounding 2), at protesters staging nonviolent marches to the border fence (causing no injuries), and at Palestinian fishing vessels to keep them close to shore (wounding 2). The IDF also made regular brief incursions to level land and clear lines of sight along the Palestinian side of the border fence, occasionally opening fire on surrounding areas to keep Palestinians away (killing 1 Palestinian civilian and wounding another). The IDF also directed cross-border fire (small arms, artillery, and in 1 case on 12/13 flechette rounds) at any "suspicious movement," killing 8 Palestinians (at least 5 armed) and wounding 8 (at least 5 armed and 1 civilian). In 1 instance on 1/7, one IDF unit shelled another, mistaking the soldiers for armed Palestinians operating near the border, killing 1 IDF soldier (the sole Israeli fatality this quarter) and wounding 4. Another 4 Palestinian civilians were killed (2 on 12/10, 1/22, 1/27) and 2 injured (both on 1/22) when they accidentally detonated unexploded IDF ordnance (UXO). Tunnel

accidents were responsible for 3 Palestinian deaths (2 of them in a tunnel collapse on the Gaza-Israel border e. of Jabaliya). In addition, 2 Palestinian were killed when Egyptian forces blew up a smuggling tunnel on 1/15.

In total, Palestinians fired 29 homemade Qassam rockets, 3 manufactured Grads, and at least 73 mortars towards Israel, lightly injuring 3 Israelis (2 civilian and 1 security guard) and 3 Thai laborers, and causing damage in 5 instances (see Chronology for details). At least 2 rockets and 5 mortars landed inside Gaza, with 1 rocket killing 1 Palestinian civilian and wounding 2 on 1/22. This marked a significant increase from last quarter when 18 rockets, at least 30 mortars, and 1 antitank weapon were fired. In addition, armed Palestinians detonated (1/18) an explosive device near the Gaza border fence as an IDF patrol passed on the Israel side, causing no damage or injuries. In another instance, the PFLP claimed (2/9) that its gunmen opened fire across the border at an IDF jeep inside Israel, but the IDF said it had no report of an incident. Of note: 4 mortars fired by Popular Resistance Comms. (PRCs; an umbrella group comprising all Gaza factions) into Israel on 11/19 reportedly contained white phosphorous scavenged from IDF UXO from Operation Cast Lead; no damage or injuries were reported. The Palestinian factions fired a white phosphorous munition for the first and only previous time on 9/15/10 (see Quarterly Update in *JPS* 158).

The IDF carried out at least 50 air strikes (compared to 28 last quarter), killing 8 Palestinians (all armed) and wounding at least 31 (including at least 19 civilians and 9 who were armed). Two of those strikes (11/17, 1/11) were targeted assassinations.

Movement and Access Issues

This quarter, the only significant change reported regarding Palestinian freedom of movement within the West Bank was the IDF's 2/15 decision to make the main Hawara checkpoint into Nablus city an unmanned checkpoint. (Israel had been steadily easing access to Nablus since 6/2009.) In general, movement between major population centers continued to be relatively good, whereas movement between main cities and outlying villages was more difficult, continuing a trend that began in summer 2009. As of 2/15, there

were still as many as 500 obstacles to Palestinian travel across the West Bank, including 64 permanent barriers (the same as last quarter). Many of these were unmanned. The IDF did not impose any general closures on the West Bank this quarter.

OCHA noted (12/8) that 99% of West Bank area C (the 60% of the West Bank under full Israeli control) was “either completely off limits or subject to extensive restrictions which effectively made it impossible for Palestinians to use or cultivate, thereby creating pressures on Palestinians to leave such areas and raising concerns about forced population transfer.” Most of the 1% of area C to which Palestinians had full access was already built up. Israeli methods of controlling area C include: direct seizure or confiscation of land for military purposes; establishment of settlements and their jurisdictional areas; and declaration of areas as closed military zones, state land, nature reserves, or archeological sites. Overall, settlements and their jurisdictional areas cover more than 40% of the West Bank and closed military zones make up more than 18%.

Gaza, meanwhile, remained under siege. Until Egypt sealed the Rafah crossing on 1/30 to secure its borders amid domestic unrest, personal travel into and out of Gaza via Rafah had been easier for humanitarian cases since 6/2010 but overall was still highly restricted. Restrictions on individuals traveling to and from Israel via Erez remained extremely tight. Imports of humanitarian and limited commercial goods through Kerem Shalom crossing averaged around 868 truckloads per week (33% of the weekly average before Hamas’s takeover of Gaza in 6/07) down from 1,000 last quarter, with food items making up 54% of imports on average (compared to 20% before Israel’s siege)—an indication that imports were still providing subsistence rather than economic stimulation.

Israel faced serious difficulties reconciling its decision last quarter to authorize more UN reconstruction projects in Gaza as a gesture to the international community (see Quarterly Update in *JPS* 158) with its severely restricted import policies, particularly regarding the Qarni crossing. More projects meant that more construction aggregates were needed in the Strip, but Israel allowed aggregates to enter only via the Qarni conveyor belt for

security screening. Israel also limited the transfer of grains (fodder and wheat) to the conveyor belt for the same reason. Israel claimed that the belt’s capacity was limited, meaning that any day aggregates needed to cross, grain imports would be reduced. Israel further limited operation of the conveyor to 3 days/week at most. As UN projects began (very slowly) to ramp up, Gaza’s grain supply dwindled until reserves were nearly depleted ca. 1/18. Israel cut back on aggregates to boost the grain supply, but the move forced the UN to suspend 23 projects immediately for lacking sufficient materials. By the end of the quarter, grain reserves had been built back up to a 10-day supply (30 days is normal), and Israel had begun allowing very limited amounts of aggregates to enter by truck through Kerem Shalom, allowing the UN to resume 3 projects.

Adding to concerns, Israeli authorities announced on 1/18 their intention to close the Qarni crossing permanently within weeks and to redirect grains and aggregates to a new conveyor belt under construction at Kerem Shalom, expected to open in late 2/2011. Israel’s aim was to have all imports into Gaza move through a single Israeli-controlled access point. (The Nahal Oz fuel crossing was closed and fuel imports were moved to Kerem Shalom in early 2010.)

Throughout the quarter, Israel steadily decreased the amount of fuel allowed entry to Gaza and on 1/5 halted the transfer of industrial fuel for Gaza’s power plant altogether. Initially, Gaza municipal authorities addressed the growing shortage by diverting fuel imported for cars (of lesser quality) to run the plant’s generators, but when Israel completely cut off the supply they compensated by massively increasing smuggling fuel from Egypt. As of 1/29, 100,000 liters of petrol and 600,000 liters of diesel were coming through the tunnels **per day**. Electricity supplies varied with fuel availability, with rolling blackouts across the Strip spiking to 12 hrs./day between mid-11/2010 and mid-12/2011 before dropping back to 6–8 hrs./day when smuggling increased. Meanwhile, OCHA noted (1/7) that the primary reason for cooking gas shortages in Gaza was the lack of storage capacity on the Palestinian side of the Kerem Shalom crossing—that capacity had existed at Nahal Oz, closed in early 2010. The only marker to show

improvement this quarter was access to running water, which improved slightly in early 12/2010 for first time since at least 10/14/10: Through the end of the quarter, 10% of Gazans received running water once every 4 days for 6–8 hrs.; 80% received water once every 2–3 days for 6 hrs.; and 10% received running water once a day for 6–8 hrs. On 1/25, OCHA noted with concern that Israeli officials were internally discussing disconnecting Gaza from Israel's electricity and water grid; Gaza currently receives roughly 60% of its electricity from Israel and its water supply was described as "fully dependent" on Israel.

Of note: When Egypt sealed the Rafah border as of 1/30, the increased military presence near the border initially was so tight that all smuggling into Gaza through the Rafah tunnels ceased for about a week, prompting fuel and other hoarding among Gazans. Amid serious OCHA concerns that fuel shortages in the Strip would quickly become a problem, possibly leading to other crises in water availability and sewage treatment, Egypt eased its controls. While the Rafah crossing remained sealed through the end of the quarter, by 2/6 smuggling returned pretty much to (and in some cases exceeded) pre-1/30 levels. As of 2/15, Gaza authorities confirmed that smugglers were bringing in 200,000 liters of petrol, 600,000 liters of diesel, 300 tons of cement, and 400 tons of gravel through the tunnels each day. The fuel amounts slightly surpassed pre-1/30 levels, but amounts for cement and gravel remained lower because of difficulty moving product within Egypt due to unrest there. (Before 1/30, smugglers were daily bringing in 800 tons of cement and 700 tons of gravel via the tunnels.)

On the positive side, Israel began (11/28) allowing Gazans to export major quantities of strawberries and cut flowers, marking the first exports permitted from Gaza since 4/2010. These continued through the end of the quarter. Quartet special envoy Tony Blair welcomed (11/28) the move but said Israel must do more to ease its blockade. Arguing that a strong private sector could create an "alternative powerbase" to Hamas that could foster a Western orientation, he noted that allowing exports was crucial to reviving the Gazan economy. On 12/8, Israel's security cabinet agreed in principle to allow

more and increasingly varied exports from Gaza (additional agricultural goods, textiles, and manufactured furniture were expected), but at the close of the quarter, the pledge, according to OCHA, remained "largely unimplemented."

Also of note: Gaza hospital officials reported (1/18) that because of an ongoing dispute between PA Health Min. officials in Ramallah and Gaza (no details released), transfers of medical supplies from the Gaza main storage facility to Gaza hospitals had declined dangerously. As of 1/25, OCHA reported that 183 out of 480 essential drugs (38%) and 160 out of 700 essential disposable supplies (23%) were totally out of stock. By 2/14, Gaza hospitals had received 2 shipments of medical supplies from Ramallah, reducing the number of essential drugs at zero stock from 183 to 150.

Assassinations and Suicide Attacks

As noted in the overview of casualties above, this quarter, the IDF assassinated 3 Palestinians (compared to 2 last quarter): Army of Islam's Islam Yassin and Muhammad Yassin (both on 11/17), and Islamic Jihad's Muhammad Najjar (1/11). No bystanders were injured in the strikes. Once again this quarter, there were no Palestinian suicide attacks. The last confirmed Palestinian suicide attack took place on 9/22/08.

Nonviolent Protests

The weekly Palestinian popular protests against the separation wall and land confiscations, often with the participation of Israeli and international activists, continued in Bil'in and Ni'lin near Ramallah, Dayr Nizam/Nabi Salih in the north central West Bank, in al-Ma'sara near Bethlehem, and outside Karnei Tsur settlement near Hebron. Whereas last quarter, Gazans frequently conducted nonviolent protest marches toward the border fence to protest Israel's imposition of a no-go zone, few such marches were reported this quarter. The IDF frequently fired warning shots, stun grenades, and tear gas at demonstrators in the West Bank, killing 1 Palestinian on 12/31 and frequently causing light-to-moderate injuries.

Judaization of Jerusalem

Israel continued to expand its presence in and control over occupied East Jerusalem this quarter. In addition to the

new settlement housing starts authorized at key moments in the diplomatic process mentioned in the main Israeli-Palestinian section above (a total of 879 housing units in Gilo, Pisgat Ze'ev, and Talpiot, plus a \$5-m. development plan for the Western Wall plaza) and the rash of demolitions of Palestinian property mentioned the following section, Israel's Jerusalem municipal authority at the very end of the quarter approved (2/15) construction of 120 new housing units in Ramot settlement in East Jerusalem. As part of the ongoing strategic plan to link the greater Jerusalem area to Israel proper, the IDF confiscated (12/16) 50 d. of Palestinian land in Bayt Ikhsa, in the West Bank northwest of Jerusalem, for construction of a railway linking Jerusalem and Tel Aviv. Closing the 50 d. area also cut off Palestinian access to 2,000 d. of olive groves.

On 11/23, Israeli authorities, implementing a 5/2010 court ruling, evicted the Palestinian Qara'in family (15 members, including 7 children) from their Jabal al-Mukabir home and allowed Jewish settlers to move in and fence off the surrounding property. Settlers had claimed that a Qara'in relative sold the property in 2008 just before his death. The family, which first learned of the sale months later, claimed the sale was fraudulently orchestrated by the Elad settler group, which promotes Jewish settlement in Arab areas and has previously used foreign-registered straw companies to purchase Palestinian property in East Jerusalem. An Israeli court ruled in 5/2010 that the sale was legal.

On 12/8, Hamas-affiliated Palestinian Council (PC) mbr. Muhammad Abu Tair, whose Jerusalem residency status was revoked by Israel in 5/2010, was deported to Ramallah. Abu Tair was 1 of 4 Hamas-affiliated PC members with Jerusalem residency arrested by Israel soon after the 1/2006 Palestinian elections in effort to unseat the elected Hamas-led government. All 4 were released in 5/2010 but told that their Jerusalem residency rights had been revoked and they must leave Jerusalem promptly or face rearrest. All 4 ignored the expulsion order, with Abu Tair being the first to be rearrested on 6/30/2010 (see Quarterly Update in *JPS* 157). On 12/18, an Israeli court sentenced him to 4 months jail time but automatically suspended the sentence pending Israeli Interior Min. and High Court review, immediately transferring him

to Ramallah and restricting his movement to PA-controlled West Bank areas until the final appeals were decided.

Also related to Jerusalem: In early 2/2011, Israel's High Court ruled that within 5 years the government must provide classrooms to accommodate all Palestinian children in East Jerusalem wanting to study in public schools or be forced to cover the tuition fees of those referred to private schools for lack of space. The ruling was in response to a petition filed by the Association for Civil Rights in Israel (ACRI), which noted that already more than 40,000 Palestinian children in East Jerusalem had been forced to pay to study in private schools and 5,300 had dropped out of school altogether because of lack of classrooms.

House Demolitions and Other Leveling

This quarter, 25 Palestinian homes were demolished (see Chronology for details), compared to 3 last quarter. Of these, 12 were in Yatta village near Hebron, of which 11 were bulldozed (along with 3 barns, 3 rooms of a school, and 2 tents) by the IDF on 1/12 for being too close to the separation wall; the 12th house was torn down on 11/25. Another 9 houses (along with some dozen shops, several poultry farms, 2 stables, and a printing press) were leveled by Israeli municipal authorities in and around East Jerusalem (Bayt Hanina, Hizma, Issawiyya, al-Nu`man, Shaykh Jarrah, Silwan, and Sur al-Bahir, al-Tur, Wadi al-Juz). Israeli authorities in Jerusalem also demolished a semipermanent vendor's stand (in place for 11 years) on Sultan Suleiman Street near Damascus Gate. Of the other 4 homes, 2 were near Jericho, 2 near Qalqilya. In 3 instances (12/19, 2 on 12/21), Israeli authorities forced the owners to demolish their own homes or pay the government nearly \$5,500 for doing the job. In 2 instances (12/19, 12/21), owners had already paid municipal authorities fines of thousands of dollars for building without a permit.

In addition, the IDF targeted 2 small bedouin communities located on prime strategic land overlooking the Jordan Valley. On 12/6 and 2/9, the IDF raided Khirbat Tana (pop. 250) near Nablus, leveling a total of 16 residential structures (displacing 153 persons, including 72 children), at least 38 animal pens, a school, and 2 other small classroom structures. The IDF years ago declared the area a closed military

zone; the IDF leveled homes and property in the village in 1/2010 and in 5/2005, but both times villagers rebuilt with help from international NGOs. On 11/25, the IDF raided Khirbat Yazra (pop. 80) east of Tubas, demolishing a mosque, 1 home (displacing 15 persons, including 8 children), and 10 storehouses.

According to OCHA (12/31), the IDF demolished a total of 353 Palestinian-owned structures (homes, nurseries, mosques, agricultural buildings, etc.) in West Bank area C in 2010 (compared to 186 structures in 2009), displacing 478 persons. In East Jerusalem, the IDF demolished a total of 63 Palestinian-owned structures in EJ in 2010 (compared to 80 in 2009), displacing 116 persons.

The largest demolition project of the quarter was the Shepherd Hotel demolition that began on 1/9 (see “More U.S. Shuttle Diplomacy” above). OCHA noted (1/14) that 60 Palestinian families in Shaykh Jarrah had lost their homes since 2009 and 500 others were currently at risk of eviction because of settler designs to take over the area.

Settlers and Settlements

Experts monitoring settlement expansion reported (NYT 12/23) that the construction surge in the first 3 months after the West Bank construction freeze was lifted had been the largest in at least a decade: As of 12/22 (the most recent figures reported as of the end of the quarter), 2,000 housing units were currently under construction in the West Bank and East Jerusalem and 13,000 more were planned. (By comparison, during the period 2007-9, about 3,000 units per year were built.) Most of the new construction was privately funded in remote West Bank settlements mostly likely to be removed under a final status agreement.

At least 3 Palestinians were killed by Jewish settlers this quarter. In incidents on 1/27 and 1/28, Jewish settlers opened fire on stone-throwing Palestinian teens, killing 2 and wounding 1. On 2/11, a group of settler youths in East Jerusalem attacked 2 Palestinian residents, fatally stabbing 1 and beating the other. Overall, however, the number of individual incidents of settler violence reported was down this quarter (33 compared to 53 last quarter). The breakdown of incidents by region was as follows: Hebron (8); Qalqilya (7); Nablus

(5); East Jerusalem, Ramallah, and Salfit (3 each); Bethlehem (2); and Jenin and Tulkarm (1 each). Other settler actions included (see Chronology for details): attempting to seize Palestinian land to expand existing settlements and outposts (2 on 12/2); pumping settlement wastewater onto a school playground (12/9); burning, uprooting, or cutting down trees and crops (2 on 11/16, 11/23, 12/27, 2/13, 2/14); setting fire to property (12/18, 12/29); otherwise vandalizing Palestinian property, including tombs in a cemetery (12/13, 12/16, 1/8, 1/27, 1/28); beating or harassing Palestinians (11/22, 12/13/12/17, 12/18, 12/25, 1/2; 1/13, 2 on 1/23, 1/27, 2/11); stoning passing Palestinian vehicles (1/31); and entering Palestinian population centers under IDF guard to pray (12/9, 12/16, 2 on 1/21) or in a show of force (12/2). Two incidents were remarkable for their abuse of animals: On 12/18 settlers from Itamar settlement near Nablus ran off a Palestinian shepherd grazing his flock near the settlement and then gathered the sheep and set fire to them, killing 12 and maiming 7. On 1/23, settlers from Ma'on settlement near Hebron attacked Palestinian family living in the area, shooting dead a sheep and a dog, attacking cattle, and threatening to shoot 2 children.

Inside Israel

On 1/5, the Knesset approved (41-16, with 63 absent or abstaining) formation of a parliamentary panel of inquiry into the funding of several of the top Israeli rights organizations accused of “delegitimizing” the IDF by documenting and criticizing human rights abuses by the authorities, especially in the occupied territories. The measure was introduced by right-wing Israeli FM Avigdor Lieberman’s Yisrael Beiteinu party. Among the groups reportedly targeted by Yisrael Beiteinu were Breaking the Silence (which records testimonies of IDF soldiers citing IDF abuses), B’Tselem (a leading human rights group), Machsom Watch (a women’s group that monitors IDF checkpoints), and Yesh Din (a leading legal rights group). Before the vote, these groups and 12 others issued an open letter stating that they had “nothing to hide,” noting that they all comply with government regulations on financial transparency.

Israel suffered its worst forest fire on record 12/2-5 in the Mount Carmel area. The fire destroyed an estimated 40,000

dunams (d.; 4 d. = 1 acre) of land and left 44 Israelis dead. As a gesture to Israel, the PA sent (12/3) 13 firefighters and several fire trucks to help extinguish fires near the Israeli Palestinian towns of Taibeh and Barta'a. Netanyahu accepted the PA assistance, along with aid from numerous countries, but afterward Israeli officials were forced to cancel (12/14) a ceremony to honor the Palestinian firemen when 3 of them were denied permits to enter Israel on unspecified security grounds. The PA remarked (12/14): "We did this despite the occupation because it was our humane duty. We knew the occupation would still be here after our assistance." Of note: The fire revived criticism among Israeli environmentalists (e.g., WJW 12/15, WP 12/27) of the Israeli tree-planting tradition, which foresters for years have warned creates over-dense forests that are prone to devastating fires. Experts urged the government to allow the Mount Carmel forest to repair itself naturally, but the Jewish National Fund (JNF) and smaller Zionist groups quickly launched fundraising campaigns to replant the trees. (The JNF suffered a major scandal in 6/2000 when a *Ma'ariv* investigative report uncovered that it routinely dug up and replanted the same saplings because it received so many donations each year [around 100,000/year from Americans alone], real-locating funds that would have been used to purchase new plants to other projects without informing donors.)

On 1/30, an Israeli court handed down a 9-year jail sentence to Israeli Palestinian activist Ameer Makhoul, who pleaded guilty in 10/2010 to spying on behalf of Hizballah in exchange for prosecutors dropping charges of assisting the enemy in time of war (see Quarterly Update in *JPS* 158).

On 12/7, 47 state-employed Israeli rabbis issued an open letter distributed in synagogues and religious journals stating that the Torah prohibits the sale or rental of a house or fields in the Land of Israel to non-Jews. Netanyahu denounced (12/7) the letter.

INTRA-PALESTINIAN DYNAMICS

Divisions between Hamas in Gaza and Fatah in the West Bank continued unabated this quarter. The release of the Palestine Papers (see above) aggravated the

split and stirred up broad popular discontent over the PA's inadequacies and the factions' ongoing failure to make progress toward national reconciliation. After the "Egyptian Revolution," and the spread of demonstrations throughout the region, observers watched the territories for signs that the protests might spread there given the increasingly disaffected mood. However, while there was increasing talk of the urgency of national unity, especially in light of the failed peace process, there were no serious indications as of 2/15 that any sort of popular protest movement was coalescing.

PA Elections

On 12/13, the Palestinian High Court issued its final verdict on a lawsuit brought by 4 Palestinian parties challenging the 6/2010 PA Executive Authority (EA or cabinet) decision to cancel municipal elections that had been set to begin in 7/2010, ruling that the EA had no authority to cancel elections once called and that elections must proceed immediately. (Abbas had ordered the local elections suspended just hours before candidate lists were due for presentation to the Central Election Commission when his Fatah party proved unable to agree on its own list and pre-election polls indicated it might lose; see Quarterly Update in *JPS* 157. By that date, Abbas had already indefinitely delayed PA presidential and parliamentary elections, which were to have been held by 1/2010 and 1/2009, respectively; see Quarterly Update in *JPS* 155).

The PA took no action in response to the court ruling. Only in light of the Palestine Papers and regional unrest did the PA announce (1/31) that it would hold municipal, legislative, and presidential elections as quickly as possible, later (on 2/12) setting 9/2011 as a rough target date. The PA announced on 2/8 that municipal elections would begin in the West Bank on 7/9/2011. On 2/12, Hamas announced that it would not participate in local or national elections, saying that an agreement on a national unity platform must come before a vote.

National Unity Talks

Though Palestinians routinely decried the internal divisions, there were no reports that either Fatah or Hamas made any effort this quarter to revive national unity talks

despite what was clearly a growing need for national consensus. Last quarter, the first serious talks held by the factions in over a year had bogged down over power-sharing issues before even broaching discussion of a national unity platform (see Quarterly Update in *JPS* 158). By late-1/2011, the chief mediator between the sides, Egyptian intelligence chief Omar Suleiman, was deeply embroiled in Egypt's domestic unrest and Fatah was busy containing damage from the Palestine Papers leak.

Meanwhile, Israel seemed unusually concerned about how the tensions between the two sides might play out in the West Bank. On 11/30, IDF troops and intelligence units raided the homes of 3 local Islamic Jihad leaders in Jenin in order to "discuss the current political situation" and to question them on their recent detention by PA security forces (PASF). Mossad teams had conducted similar "discussions" with local Hamas and Islamic Jihad leaders in Jenin in 10/2010 in effort "to gauge their responses to recent diplomatic initiatives and changes on the ground," particularly regarding prospects for national reconciliation (see Quarterly Update in *JPS* 158). Also on 11/30, the IDF raided and searched and the Dura home of elected PC mbr. Shaykh Nayif Mahmud al-Rajub (among the Hamas-affiliated PC mbrs. arrested by Israel in 6/2006; released from Israeli jail in 6/2010), but did not arrest him.

A month later, the IDF made late-night raids on the homes of Hamas-affiliated PC members Muhammad al-Tal (12/27) and Khalil Rab'ie (12/29) in Hebron and Omar ` Abd al-Rizk (1/10) in Salfit, arresting them without charge and confiscating computers and numerous files. This followed similar arrests last quarter of 3 other Hamas-affiliated PC members (see Quarterly Update in *JPS* 158). The pattern suggested that Israel was shaking down the same Hamas-affiliated officials it detained in the months after the 1/2006 Palestinian elections as part of an effort to unseat the elected Hamas-led government, though its overarching aim, if any, remained unclear. Also of note, the IDF raided (1/10) the home of a PA military intelligence officer in Nur al-Shams r.c., arresting him and confiscating his computers and cell phones.

PA's West Bank Rule

In line with continuing PA efforts to increase its popularity among Palestinians

by challenging Israel's West Bank presence through nonviolent actions such as boycotting goods made in Jewish settlements and participating in the weekly popular protests against the separation wall (see Chronology), PA PM Fayyad pledged (11/30) to rebuild a road in the rural West Bank demolished the week before by the IDF, which said the area was zoned as a nature preserve. Fayyad said the move would be a first step in a new effort to challenge Israeli control of West Bank areas, but by the end of the quarter there was no evidence that the PA had rebuilt the road or that any additional "steps" had been taken. In a similar move, seemingly aimed at promoting the PA as the guardian of the Palestinian patrimony, the PA played up news that a PA court in Nablus found (2/1) a Palestinian guilty of selling land to an Israeli, sentencing him to 10 years in jail.

In early 12/2010, Abbas stripped former PA security chief and Gaza strongman Muhammad Dahlan of his privileges and shut down his al-Ghad TV station after he had criticized Abbas as weak and self-promoting in meetings with local Palestinian activists in Ramallah. (Dahlan, who resides primarily in Cairo but makes frequent visits to Ramallah, is widely seen as one of Israel's and the U.S.'s preferred successors to Abbas. Among Palestinians, including within Fatah, he is seen as largely responsible for losing Gaza to Hamas.) On 12/28, the Fatah Central Comm. (FCC) announced that it had suspended Dahlan's Fatah membership and removed him from his position as chairman of its culture and information subcommittee pending an investigation into allegations that he was engaged in corruption, working to form his own militia, and positioning himself to replace Abbas (possibly even plotting a coup). Days later, the director of Dahlan's Ramallah office, Mu'taz Khdeir, was arrested "for security reasons." Dahlan allies quickly denied (12/28) the allegations, saying he "only tried to create his own camp within Fatah to support him." The FCC named senior Fatah officials Abu Maher Ghneim, Othman Abu Gharbiyeh, and Sakhr Bseiso to undertake an investigation. (Ghneim resigned as committee head on 1/3 when Abbas rejected his recommendation that the dispute be ended with an apology from Dahlan. He was replaced by Azzam al-Ahmed.) Dahlan returned to Ramallah on 1/3 to meet with the committee

and was not detained, afterward dismissing the matter as a nonissue. The committee had not issued its conclusions by the end of the quarter.

By mid 12/2010, the PA had stepped up enforcement of rules it imposed in early 2010 banning imams affiliated with Hamas and Islamic Jihad from the pulpits and forcing other imams (all paid by the PA) to deliver Friday sermons scripted by the PA Religious Affairs Min. The PA believed the curbs had weakened Hamas in the West Bank and were necessary to prevent incitement, maintain national unity, and promote moderate Islam. Critics, however, say the measures were authoritarian, curbed free speech, and further alienated Abbas's opposition. The PA also opened (by 12/16) a government-funded Islamic college in Qalqilya to train new imams, focusing on teaching them "how to distinguish Muhammad's true teachings from those falsely attributed to him."

As noted above (see "The Changing Dynamic"), the PA's legitimacy was shaken by the Palestine Papers leak and Fatah's initial solidarity with Mubarak during the Egyptian protests. Abbas's willingness to deploy Fatah cadres to stage rallies in his support and the myriad PA/Fatah efforts to preempt and silence his critics was disturbing to many; a particularly unsettling incident involved al-Najah University prof. `Abdul Sattar Qassem. After being interviewed (1/26) about the Palestine Papers leak by al-Jazeera in the Palmedia offices in Nablus, 5 plainclothes men (1 armed, 4 unarmed) believed to be from the PA General Intelligence, raided the office looking for Qassem and, discovering that he had already left, ransacked the office and damaged the station's equipment. Despite rising concerns, at the close of the quarter it was too soon to tell what the long-term political ramifications might be.

Hamas in Gaza

The Hamas authority in Gaza continued to struggle under the dire constraints imposed by Israel's siege. While no intra-Palestinian clashes were reported in Gaza this quarter, Hamas clearly had a difficult time keeping the factions in line, and many of its governance actions seemed driven by the knowledge that it would itself be the target of any massive Israeli retaliation.

In a rare statement on 12/1, Hamas's acting PM Ismail Haniyeh said that any

peace agreement with Israel should be put to a global Palestinian referendum and that Hamas would abide by the vote. He also emphasized that Hamas intended to maintain its Gaza cease-fire (in place since the close of OCL in 1/2009) with Israel through 2011, reiterating that Hamas would consider Palestinian rocket fire legitimate only if the IDF initiated an attack or entered Gaza. The smaller factions (particularly, this quarter, the AOI and PFLP) largely ignored this call and regularly fired rockets and mortars into Israel (see "Overview of the Violence" above). On 12/30, Hamas officials met with the main Gaza factions and secured renewed pledges to observe the cease-fire, but that evening unidentified Palestinians fired a Qassam rocket into Israel (no damage or injuries). When rocket and mortar fire escalated sharply thereafter (see Chronology for details), Hamas, fearing a major Israeli retaliation, reiterated the cease-fire call on 1/11. That night, the IDF carried out a series of air strikes on militant targets, including assassinating an Islamic Jihad member, and sent word via Egypt that it would consider launching a major reprisal if the factions retaliated for the killing. Hamas authorities convened (1/13) a meeting with smaller factions to urge them to adhere to the cease-fire and deployed (1/13) the Izzeddin al-Qassam Brigades (IQB) to step up border patrols and set up makeshift checkpoints on roads leading toward the border to deter groups from firing into Israel. Nevertheless, rocket and mortar fire continued at a moderate level through the end of the quarter. Probably in light of events in the region, Israel opted not to stage a major strike.

While Hamas was buoyed by the leak of the Palestine Papers, it viewed the events in Egypt with concern. Egypt's sealing (1/30) of the Rafah border initially sparked fears of shortages, allayed by the resumption of smuggling (see "Movement and Access" above). Still, the sealing of the Rafah crossing made governing Gaza more difficult. With various factions already failing to respond to appeals to observe a cease-fire, Hamas also worried that the regional protests could inspire demonstrations against Hamas rule in the Strip and like Fatah banned (ca. 1/28) demonstrations. However, Hamas officials reported (1/30) that at least 8 Hamas members jailed in Egypt were among those freed during

prisons breaks and rioting across Egypt as of 1/28. At least 6 had returned to Gaza through the smuggling tunnels as of 2/6.

Of note: Hamas's dir. of public works in Gaza, Yasser al-Shanti, declared (12/20) that the acting Hamas government had been able to renovate 1,000 Palestinian homes and schools damaged during OCL using funding from Islamic charities in the Persian Gulf and materials smuggled through tunnels on the Egyptian border. The UN meanwhile was having trouble importing materials to reconstruct 10,000 housing units and 100 schools because of Israeli restrictions on imports.

Also of note: A Hamas-affiliated military court in Gaza sentenced (12/6) 4 Palestinians to death (3 for a 2007 kidnapping and murder; 1 for collaborating with Israel). None of the sentences was carried out this quarter.

Security Coordination

Israeli-Palestinian security coordination continued without interruption this quarter. The incoming U.S. security coordinator, U.S. Air Force Maj. Gen. Michael R. Moeller, maintained much lower profile than his predecessor, Lt. Gen. Keith Dayton, which his office indicated would be a trend under his leadership.

With peace talks suspended at the start of the quarter, Israeli intelligence and military officials warned (11/16) Israel's political leadership that if a peace deal were not achieved soon, Abbas's government could fall and Hamas's influence could rise. They also warned that if Abbas's government failed, the PASF could collapse "in 5 minutes" and that all security coordination with the IDF would cease, ending one of the calmest periods in Israel's history.

Of note this quarter, the PASF released (1/7) from a Hebron jail 6 Hamas members who had been on hunger strike for 43 days, protesting their detention without charge. Late that night, IDF undercover units raided Hebron to detain 5 of the 6 men (fatally shooting a bystander in the process). Hamas accused (1/7) the PA of colluding with Israel to rearrest the men.

PALESTINIAN OPINION

The following data are excerpted from a poll conducted by Palestinian Center for Policy and Survey Research

(PCPSR) between 16 and 18 December 2010. Results are based on a survey of 1,270 men and women from the West Bank (including East Jerusalem) and Gaza. The poll, the 38th in a series, was taken from PCPSR's Web site at www.pcpsr.org.

1. Now that the U.S. has stopped demanding an Israeli settlement freeze as a condition for returning to direct negotiations and after Israel has resumed settlement construction, do you support or oppose Palestinian entry into indirect negotiations with Israel through American mediation?

	West Bank	Gaza	Total
a. Certainly support	3.4%	3.7%	3.6%
b. Support	24.8%	28.8%	26.3%
c. Oppose	50.7%	47.5%	49.5%
d. Certainly oppose	18.0%	15.5%	17.1%
e. No Opinion/Don't Know	3.1%	4.5%	3.6%

2. How would you evaluate the current status of democracy and human rights in the Palestinian Authority under Abbas? Would you say it is:

	West Bank	Gaza	Total
a. Very good	4.4%	6.9%	5.4%
b. Good	30.9%	33.6%	31.9%
a. So-so	29.1%	30.3%	29.6%
a. Bad	22.1%	15.9%	19.7%
b. Very Bad	10.6%	11.4%	10.9%
c. Don't Know/No Answer	2.9%	2.0%	2.5%

3. In your view, can people in the West Bank today criticize the authority without fear?

	West Bank	Gaza	Total
a. Yes	25.7%	28.7%	26.8%
b. No	70.1%	61.1%	66.7%
c. Don't Know/No Answer	4.2%	10.2%	6.5%

4. In your view, can people in the Gaza Strip today criticize the authority without fear?

	West Bank	Gaza	Total
a. Yes	18.4%	19.3%	18.8%
b. No	67.8%	76.5%	71.1%
c. Don't Know/No Answer	13.8%	4.2%	10.2%

FRONTLINE STATES

JORDAN

Jordan did not play a major role in the Arab-Israeli conflict this quarter, though it kept in regular contact with the parties to stay abreast of developments. By early 1/2011, the government was preoccupied with the riots destabilizing Tunisia and later Egypt, fearing that they would spread to the kingdom where public discontent over economic issues and corruption had been on the rise for months (see Quarterly Update in *JPS* 158 for background). In effort to assuage the public, the government increased subsidies on basic goods (ca. 1/17) and fuel (1/15) and increased civil servants' pay (1/20). The U.S. also announced (1/12) an additional \$100 m. of aid to Jordan for 2011 (adding to the \$363 m. in regular economic assistance already allocated) to fund programs for young people and the poor. Despite these efforts, 1,000s of demonstrators, inspired by events in Egypt and Tunisia, turned out after Friday prayers on 1/28 in Amman and cities across the kingdom to demand the resignation of PM Samir Rifa'i and his cabinet (since direct criticism of the king is illegal), dissolution of the parliament, and a new round of free and fair elections. (The last parliamentary elections held in 11/2010 were widely criticized as fraudulent.) The next day (1/29), 100s of demonstrators protested outside Rifa'i's office in Amman, calling for his resignation.

On 2/1, the king complied with popular demands, dismissing Rifa'i and his cabinet and tapping Ma'ruf Bakhit, a popular retired general and former ambassador to Israel who was not tainted by the corruption allegations against the former government, to form a new cabinet. (Secy. of State Clinton phoned the king on 2/3 to welcome Bakhit's appointment and to stress the importance of the U.S.-Jordan relationship.) Bakhit quickly opened (2/2) talks with various political parties including the Islamist opposition toward forming a new government, and met (2/2) with trade unionists and leftists to hear their concerns, suggesting he would consider abolishing requirements for prior permission for public gatherings, revise the elections law, and step up efforts to combat corruption. Protests quickly tapered off as the public cautiously waited to see how the new

government would take shape. On 2/9, Bakhit's cabinet (including 1 former Muslim Brotherhood member, a leading female activist, and members of the leftist unionists) was sworn in. There were no further reports of protests.

Meanwhile, King Abdullah, in what were seen as largely token gestures, began making surprise visits to poor areas to observe conditions and order assistance to improve living conditions. On 2/3, he met with the Muslim Brotherhood for the first time in a decade, reaching out to his main opposition in hopes of fending off major antigovernment protests. Soon after, however, 36 tribal leaders, normally strongly supportive of the king, joined opposition calls for major government reforms to open up political participation and ease poverty, releasing (2/7) a statement (blocked by the government-controlled media but circulated online) stating that "before stability and food, the Jordanian people seek liberty, dignity, democracy, justice, equality, human rights, and an end to corruption." Overall, Jordanian analysts seemed to agree (e.g. NYT 2/5) that while "all the symptoms are there" for massive popular discontent with the government in Jordan and while the king and queen were more disliked than ever, the various opposition centers basically lacked unity and common purpose, minimizing any danger of—or desire for—an imminent overthrow of the monarchy or reconfiguration of Jordanian system as a whole.

LEBANON

As the quarter opened, the first indictments in the UN special tribunal investigation into former PM Rafiq Hariri's 2005 assassination were expected to be handed down before the end of the 1/2011, with widespread concern that if Hizballah were implicated, as anticipated, sectarian clashes might erupt. Lebanese PM Saad Hariri (son of the slain former PM) had been in active communication with Iran and Syria (Hizballah's benefactors), as well as Saudi Arabia (his own chief backer), in effort to defuse domestic tensions and shore up stability. Hizballah leader Hassan Nasrallah was refusing to meet with him until he declared that Hizballah had nothing to do with his father's assassination. Every cabinet meeting was turned

by Hizballah MPs into a debate over the tribunal, effectively blocking or delaying major contracts and government deals until the issue was resolved. (Business leaders had begun appealing to Hariri to find a resolution.)

During the first weeks of the quarter, Hariri continued his consultations with regional powerbrokers, notably making (11/27) his 6th visit to Tehran to urge Iranian leaders to pressure Hizballah to tone down its actions in the interest of maintaining Lebanese stability, but nothing was achieved. On 1/11, Hariri declared that efforts between Syria and Saudi Arabia to mediate a compromise reducing tensions over the UN special tribunal investigation had ended without progress. He left immediately for the U.S. to consult with Obama.

Hizballah Collapses the Government

On 1/12, while PM Hariri was in Washington, 11 cabinet ministers representing Hizballah and its allies (the March 8 coalition) resigned from the coalition government citing Hariri's repeated refusal to convene an emergency cabinet session to discuss the tribunal's pending indictments. They called on Pres. Michel Suleiman to designate a member of the March 8 coalition to form a new government. The move to collapse Hariri's government plunged Lebanon into its most dangerous political crisis since 5/2008 (when deployments across Beirut by Hizballah and its allies precipitated intersectarian fighting that quickly spread nationwide, leaving at least 62 Lebanese dead before Qatar brokered an agreement ending hostilities; see Quarterly Update in *JPS* 148). Hariri cut short his visit to Washington later that day (1/12), but instead of returning directly to Beirut (1/14) stopped to consult with close allies French pres. Nicholas Sarkozy (1/12) and Turkish PM Recep Tayyip Erdogan (1/14). Meanwhile, Suleiman tapped (1/13) Hariri to remain as head of a caretaker government and set a parliamentary session for 1/17 to discuss formation of a new government.

Hizballah MPs immediately began lobbying colleagues to support a move allowing the March 8 coalition to form a government. In effort to allay public concerns, Hizballah leader Hassan Nasrallah gave (1/16) a televised address emphasizing that Hizballah was seeking change through

the political system rather than by taking to the streets, and vowed that Hizballah would uphold the constitution. Meanwhile, TV channels allied to the March 8 coalition aired (1/15–16) excerpts of Hariri's leaked testimony to the UN tribunal in which he called Lebanese politicians "stooges" and Syrian pres. Bashar al-Asad an "idiot" and talked openly about his father bribing Syrian officials. One segment exposed Hariri telling the tribunal that he did not know witnesses who had previously given false testimony, a statement known to be untrue.

During their 1/14 meeting, Erdogan suggested that Hariri convene a series of meetings among Lebanon, Syria, Saudi Arabia, the U.S., France, Turkey, Egypt, and Qatar to reach a common understanding on the tribunal and a new Lebanese coalition government, and offered Turkey's mediation bring Iran into the discussion indirectly. While Hariri opted for more limited regional consultations only, he authorized Erdogan to travel to Tehran on 1/16 to meet with Iranian pres. Mahmoud Ahmadinejad and then head to Damascus to join in talks (1/17) with Lebanese, Syrian, and Qatari officials. Pres. Suleiman agreed to delay the planned 1/17 parliamentary session to choose a PM designate until officials meeting in Damascus finished their consultations.

The U.S. was seen from the outset as attempting to influence the transition on Hariri's behalf. On 1/12, the same day the Hizballah cabinet ministers resigned, Secy. of State Clinton, in Qatar on a Gulf tour, denounced Hizballah and its regional supporters Iran and Syria of "a transparent effort . . . to subvert justice and undermine Lebanon's stability and progress." Then, while MPs were in discussions over whether to back Hariri or a Hizballah-allied candidate as PM designate, U.S. Amb. to Lebanon Maura Connelly met (1/16) with lesser-known Lebanese MP Nicola Fattoush, who had not yet decided whom to support, in what critics lambasted (see NYT 1/17) as an "aggressive American intervention in the formation of the next government." The Lebanese FMin. summoned Connelly on 1/17 to reprimand her for "interfering in Lebanon's internal affairs"

The Tribunal Issues Indictments

Just as the talks in Damascus got underway, David Bellemare, chief prosecutor

of the UN special tribunal on Lebanon, concluded the tribunal's work by handing over (1/17) his sealed indictments to pretrial judge Daniel Fransen at the Hague. Fransen was expected to take 6-10 weeks to review the package of indictments before confirming it in whole or in part or rejecting it for insufficient evidence. Even if approved, the indictments could remain sealed if the court believed doing so would make arresting suspects easier. The tribunal can try suspects in absentia if arrest is not possible, and a trial was not expected for at least a year. The next morning (1/18), unarmed men dressed in black suddenly congregated on streets throughout West Beirut for about an hour before dispersing, which many saw (see NYT 1/20, 1/22) as a reminder from Hizballah to domestic political rivals and regional powers that it could quickly mobilize if threatened.

Later on 1/18, Qatar's PM and Turkey's FM came to Beirut from the Damascus meeting to brief all the Lebanese players on the options raised there for defusing political tensions and facilitating a smooth transition to a new Lebanese unity government. After 3 days of intensive talks (no details released), however, they declared (1/20) that their mediation had failed and that they were abandoning efforts, at least for the moment. Meanwhile, Saudi FM Saud al-Faisal announced (1/19) that the king had decided to end Saudi bilateral efforts to mediate Lebanon's political crisis. The moves were seen (e.g., WP 1/20) as strengthening Hizballah's hand. Later that same day (1/20), Hariri gave a heated television address rejecting Hizballah's demands to step down, while separately Suleiman stated that the parliamentary session to begin formation of a new government would go ahead on 1/24.

In the run-up to the 1/24 meeting, Druze leader Walid Jumblatt announced (1/21) his intention to vote with Hizballah's March 8 coalition. This was a major boost for Hizballah, whose bloc at the time was 8 seats away from a parliamentary majority. If all 11 MPs in Jumblatt's bloc shifted support (which was not certain), Hizballah would have outright control of parliament and would more likely be asked to form a government. On 1/23, the night before the parliamentary session, Nasrallah gave a television address stressing again that Hizballah was "not seeking authority" but rather a broad national unity

government that would uphold Lebanon's state institutions, constitution, and tradition of consensus.

Hizballah's Pick Tapped As PM

On 1/24, the majority of MPs voted in favor of Hizballah's candidate, billionaire Sunni businessman Najib Mikati, and Pres. Suleiman officially asked him to form a government. Mikati, an MP representing Tripoli who served briefly as PM in 2005, was seen as a neutral moderate with political experience and as someone with good relationships with Syria, Turkey, other Arab states and the West, and thereby able to be a consensus builder. (Before the announcement, he had traveled to Syria to receive Pres. Asad's nod of approval.)

The Sunni/pro-Hariri response was quick and sharp. Hariri immediately stated (1/24) that his Future Party would not participate in a Hizballah-led government. Sunnis in Beirut, Tripoli, and other n. Lebanese towns blocked roads and burned tires in protest, calling for a "day of anger" on 1/25 to denounce Hizballah's growing influence and "Iranian meddling in Lebanon." On 1/25, 1,000s of Sunnis rallied against Hizballah in Beirut and Tripoli. The protests were described (e.g., WP 1/26) as relatively small but particularly bitter, raising more concern of sectarian violence. Pro-Hariri protesters set up roadblocks, burned tires, stoned passing vehicles, vandalized offices of Hizballah and its allies, attacked journalists, and set fire to an al-Jazeera news van, vowing to "do anything" to bring Hariri back to power. In some parts of Beirut, Lebanese police used tear gas to disperse protesters, but no serious injuries were reported. Sunni lawmakers close to Hariri accused (1/25) Hizballah of staging a "constitutional coup" and issued (1/25) "an open message to the Islamic world and the Arab world that Lebanon is in danger." With demonstrations getting out of hand later in the day, Hariri issued a public call for calm. Meanwhile, Nasrallah gave a pointed afternoon television address to denounce Hariri's March 14 coalition for using sectarian rhetoric and the U.S. for aggravating political divisions in Lebanon.

The U.S. and Israel had quickly denounced the choice of a Hizballah candidate as PM. State Dept. spokesman P.J. Crowley warned (1/24) that the U.S. might be forced to declare Lebanon a terrorist state and cut all funding if Hizballah, on

the State Dept. terrorist list, took leadership authority; later (1/25) he accused Hizballah of achieving its political goals “through coercion, intimidation and threats of violence.” Israeli Vice PM Silvan Shalom had already warned (1/23) that Israel would view a Hizballah-led government as “a very dangerous development” akin to having an “Iranian government on our northern border.” Former Israeli national security adviser Gen. (ret.) Giora Eiland, who previously had said that the next war against Lebanon must target Lebanon’s infrastructure as well as Hizballah, now stated that a Hizballah-led government would “make it much easier to explain to the international community why we must fight against the State of Lebanon.”

Meanwhile, Mikati pressed (1/25) his image as a unifier, playing down his appointment by Hizballah and emphasizing his desire to build a unity government representing all Lebanese. “There should be no party that doesn’t want to take part in this kind of government,” he said. “I will always stay moderate. . . . I call for calm.” He also stated (1/26) that he would not interfere with the UN special tribunal without full Lebanese consensus, thereby underscoring his independence, and that he would work to maintain strong relations with the U.S. At the close of the quarter Mikati was in the process of assembling a cabinet.

Al-Ghajar Withdrawal

On 11/17, Israel’s security cabinet agreed in principle to withdraw the IDF from the northern half of the Lebanese village of al-Ghajar, which straddles the Israel-Lebanon border near the Golan Heights (but not to be confused with the disputed Shaba` Farms area further to the east). Israel intended to keep the lush agricultural lands (as well as most of the village’s schools and infrastructure) located in the southern part of the village, while returning to Lebanon the northern section, home to around 1,500 of the village’s 2,200 residents. Meanwhile, al-Ghajar villagers (Alawites who were originally part of Syria) opposed a partial withdrawal that would divide the village and ultimately sought the full return of al-Ghajar to Syria. Netanyahu’s full cabinet approved the measure before the end of 11/2010, with expectations that the pull-out could be completed within a month. Israel delayed, however,

and on 2/7 announced it was postponing the withdrawal indefinitely, citing uncertainty in the wake of recent government changes in Lebanon.

Spy Cases

On 12/3, Hizballah released a photo of an Israeli spying device (clearly marked in Hebrew) it had found wired into the national telecommunications network near the village of Majdal Slim near the Israeli border. Hizballah said the device exploded (apparently remotely detonated by Israel) soon after it was discovered. On 12/16, the Lebanese army released photos of 2 more devices it found in the mountains n. of Beirut that also appeared to be Israeli-made and capable of tapping into wireless communications between the wireless stations scattered throughout Lebanon; 1 exploded soon after it was found and the other was destroyed by the army. Lebanon filed formal complaints with the UN on 12/4 and 12/18. While Israel did not comment, the Israeli daily *Yedi’ot Abaronot* reported (12/17) that the Israeli company that manufactured at least 1 of the devices operated in the 1980s, hinting the devices may have been there since the 1982 war. Of note: Over the previous year, the Lebanese government arrested scores of Lebanese employees of telecommunications firms, as well as soldiers and security officials, on charges of participating in a widespread spy ring operated by Mossad (see Quarterly Update in *JPS* 157 for recent background). Much of the UN special tribunal’s evidence linking Hizballah to Hariri’s assassination reportedly was based on cell phone records. Hizballah has alleged that the spy ring had the capability to fabricate evidence to portray Hizballah as culpable in the killing.

Other Security Issues

A few of the U.S. embassy cables released this quarter by WikiLeaks (see more in “United States” below) pertained to Lebanon. A cable from the U.S. embassy in Tel Aviv (released ca. 1/3) quoted IDF chief of staff Gen. Gabi Ashkenazi (ca. 12/2009) as telling a U.S. congressional delegation, in reference to Hizballah and Lebanon, that “I’m preparing the Israeli army for a major war, since it is easier to scale down to a smaller operation than to do the opposite,” adding: “In the next war Israel cannot accept any restrictions on warfare in urban

areas." Numerous cables from 2/2009 (published 12/6) documented U.S. efforts to curb new arms transfers from Syria to Hizballah in Lebanon.

With U.S. lawmakers continuing to block military aid to Lebanon out of concern that arms could fall in to Hizballah's hands (see Quarterly Update in *JPS* 158), Beirut finalized (11/16) a deal with Russia for supplying the Lebanese military with 6 helicopters, 31 tanks, 130 mm cannon shells, and about 500,000 medium-caliber munitions and artillery shells.

Of potential security concern: Test drilling of the Leviathan natural gas field off Israel's n. coast confirmed (12/30) the presence of a major natural gas deposit—one of the largest finds discovered in the past decade. Israel hoped the field will eliminate its foreign energy dependency and make it a leading regional fuel exporter, though extraction was not expected to begin for at least 5 years. Last quarter, Hizballah warned that it would defend Lebanon's "national treasures" if it were discovered that the field extended into Lebanese territorial waters, and Israel replied that it would respond "with all of our ability to protect our interests" (see Quarterly Update in *JPS* 158 for background).

Also of note: The U.S. Treasury Dept. accused (2/10) Lebanese Canadian Bank (LCB) of laundering up to \$200 m./mo. in drug money for an international smuggling operation that allegedly finances Hizballah and placed limits on how U.S. banks interact with LCB. LCB denied any knowledge of wrongdoing and pledged to cooperate with investigators.

Palestinian Refugees

UNRWA reported (12/6) that it had raised only 35% of the funds needed to rebuild Nahr al-Barid r.c., destroyed in fighting between Fatah al-Islam and the Lebanese army in 2007 (see Quarterly Updates in *JPS* 145 and 146). Another \$208 m. was needed to complete the renovation. Moreover, UNRWA had not received any of the \$18.5 m. in donor funds pledged to provide food, housing, and medicine to 3,400 Nahr al-Barid refugees in 2011, placing 2011 operations in question. There were no reports that UNRWA suspended operations, however. (For more about the Nahr al-Barid reconstruction project see the Hassan and Hanafi article in *JPS* 157).

UNRWA also reported (12/6) that since the Lebanese parliament passed a bill in 8/2010 legally allowing Palestinians to get permits to work in some jobs outside the camps (see Quarterly Update in *JPS* 158), no permits had been issued, leaving the employment situation unchanged. In late 11/2010, the Palestinian Civil Rights Campaign-Lebanon sent a letter to Pope Benedict XVI and Lebanon's Maronite patriarch, Cardinal Nasrallah Sfeir, asking them to urge the parliament to grant Palestinians full work and property rights. The letter included a petition signed by 430,000 individuals worldwide (including former U.S. pres. Jimmy Carter, former South African pres. Nelson Mandela, and Rev. Jesse Jackson) urging the Lebanese parliament to take action.

SYRIA

Syria did not play a significant role in the peace process this quarter, though it was deeply involved in mediating and influencing the Lebanese government crisis (see Lebanon section above). Syria did not experience antigovernment protests like those elsewhere in the region, but Syrian authorities did break up (1/29) a solidarity rally outside the Egyptian embassy in Damascus and deployed (1/29) additional troops in often-restless Kurdish areas as a preventive measure. In apparent effort to ward off popular criticism, Syrian pres. Bashar al-Asad allocated (1/25) \$250 m. to aid 420,000 impoverished families and gave an interview to the *Wall Street Journal* (published on 1/31) in which he spoke (though vaguely) of pending laws to allow municipal elections and to reduce restrictions on civil society groups. Student groups on the Internet called for a nationwide "day of rage" in Damascus for 2/5 (roughly corresponding with the 29th anniversary of the Hama massacre, where the government of Hafiz al-Asad put down a massive Sunni [Muslim Brotherhood] uprising, killing many thousands), but not a single protester turned out. Around 100 Syrians took part, however, in a silent candle-light vigil outside the Egyptian embassy in solidarity with Egyptian demonstrators that day (2/5).

Pres. Obama used (12/29) his recess appointment powers while Congress was on winter holiday to confirm Robert Ford as the new U.S. amb. to Damascus. Members

of Congress had delayed Ford's appointment since 2/2010 (see previous Quarterly Updates), arguing that returning a U.S. ambassador to Syria for the first time since the Hariri assassination in 2005 would appease Syria for its meddling in Lebanon and support of Hamas. The Obama administration, on the other hand, viewed having an ambassador in place as necessary for diplomacy. Ford arrived in Syria on 1/17 to submit his credentials and begin work.

REGIONAL AFFAIRS

The only major regional meeting relating to the peace process was the 12/15 Arab League session mentioned above (see "More U.S. Shuttle Diplomacy") that supported the suspension of direct and indirect Palestinian-Israeli negotiations until the U.S. offered a serious proposal to advance peace. The Arab League had last met on the peace process on 10/8/2010, when it gave the U.S. a 1-month grace period to develop a serious plan to achieve demonstrative progress toward peace before Arab leaders would begin actively discussing alternatives to negotiations (see Quarterly Update in *JPS* 158). Arab FMs delayed reconvening the Arab League after the deadline expired, as planned, but did coordinate with the PLO on drafting the proposed UNSC res. on settlements (for details, see the report by Graham Usher in this issue).

Only 2 other regional incidents directly affected the Palestinians and the peace process. First, Bahraini FM Shaykh Khalid bin Ahmad al-Khalifa, addressing Arab Leaders at the Manama Dialogue security conference on 12/4 (after WikiLeaks began releasing documents but before the unrest in Tunisia and Egypt), urged Arab states to begin normalizing relations with Israel, stating: "We have to talk to each other in order to reach peace." Second, Egypt's Interior Min. accused (1/23) the Palestinian militant group Army of Islam (AOI), based in Gaza, of being behind a 12/31/10 bombing of a Coptic church in Alexandria that killed 21 people and sparked days of sectarian violence. Officials say that 1 of several Egyptians detained in the bombing claimed to have been recruited by AOI to stage attacks on Egyptian Christians during a visit to Gaza in 2008. An AOI spokesman strongly denied (1/23) the charge.

Popular Protests Regionwide

Overall this quarter, Arab-Israeli affairs and the peace process were largely overshadowed by massive uprisings that toppled the governments in Tunisia and Egypt and spread to other states of the region. Though the turmoil focused on domestic matters such as corruption and political repression, the repercussions of these protests are so crucial for the Palestinian situation and the Arab-Israeli conflict that it is necessary to provide an overview.

In Tunisia, protests denouncing rising unemployment and the lack of job opportunities for youths began on 12/17, sparked by the self-immolation of a 26-yr.-old, college-educated street vendor in the southern town of Sidi Bouzid after police seized produce he was selling without a license. By 1/9, violent clashes had spread beyond Tunis and increasingly reflected deep-seated anger against the government for corruption and political repression. Last-minute reform efforts and economic incentives were unable to calm the growing public outrage, and Pres. Zine El Abidine Ben Ali fled the country for Saudi Arabia on 1/14. The rapid ouster of a leadership entrenched in power for 23 years with relatively few casualties (around 220 dead and 100 injured), sparked protests regionwide.

On 1/14, the day Ben Ali stepped down, a small group of Egyptian protesters gathered outside the Tunisian embassy in Cairo in solidarity with Tunisian demonstrators called Mubarak a "fraud" and for the first time called publicly for his ouster. (Police observed but did not intervene.) Between 1/14 and 1/19, while the Egyptian protests grew, similar antigovernment demonstrations were held in Algeria, Jordan, Mauritania, Morocco, Saudi Arabia, and Yemen—all citing Tunisia as inspiration. In response, Arab leaders convened (1/19) an Arab economic summit in Sharm al-Shaykh, where they pledged \$2 b. to shore up regional economies and generate jobs in hopes of preventing the spread of antigovernment riots. Many countries also quickly implemented domestic economic incentives. The EU stepped (1/19) up funding to regional allies. The same day (1/19), an Egyptian Facebook group began calling for massive street protests in Cairo on 1/25 to mark a "day of revolution against torture, poverty, corruption and unemployment."

On 1/25, some 150,000 Egyptians of all socioeconomic backgrounds occupied Cairo's main Tahrir Square for the Day of Revolution, vowing not to leave until Mubarak stepped down, his government was dissolved, and parliament was disbanded. Efforts by Egyptian security to violently disperse them failed, and on 1/28, 100,000s of Egyptians turned out on the square for a Friday of Rage to protest the 1/25 violence and reassert their demands, with other large demonstrations held in half a dozen cities across Egypt. Despite violent assaults by Mubarak's hand-picked security and plainclothes police, who killed as many as 300 and injured up to 2,000, protesters in Cairo and Alexandria overwhelmed these forces by dusk. (Notably, the army, made up of conscripts and dependent on U.S. aid, had refused to act when deployed against the protesters in the early stages.) The victory was galvanizing, and in the following days, Tahrir Square took on a carnival atmosphere, with the number of protesters there daily ranging from a minimum in the 10,000s to major rallies every few days in the 100,000s. Beginning on 1/30, U.S. Pres. Obama and other world leaders began pressing Mubarak to transition to democracy, while crowds on the street repeatedly rejected moves by Egypt's organized opposition parties to facilitate transition as an attempt to co-opt their movement, demanding a true populist revolution.

Like Ben Ali, Mubarak over the next 2 weeks offered modest (often cosmetic) reforms and half-measures, while deploying special forces and blaming foreign elements for the unrest, which grew and spread nationwide (see Chronology). In the end, under extreme pressure from the army, Mubarak ceded control to his VP Omar Suleiman and retreated to his Sharm al-Shaykh residence on 2/11. By that time, at least 365 Egyptians (perhaps as many as 680) had been killed and 1,000s injured in the protests. The army announced effective control (2/11, 2/12), disbanded parliament (2/13), and pledged to revise the constitutional reforms and hold elections within 6 months (2/13). A new opposition coalition, the Coalition of the Youth of the Revolution (representing members of the youth movement credited with rallying the protests, the Muslim Brotherhood, and ElBaradei's umbrella organization), welcomed the changes, agreed to work with

Suleiman, and called on protesters to resume their daily lives, but vowed vigilance (and perhaps weekly demonstrations) until a legitimate transformation process was completed.

Meanwhile, by 1/25, protests had picked up in Yemen calling for an end to Pres. Ali Abdullah Saleh's 32-year rule, citing economic ills, corruption, and expectations that Saleh planned to install his son as his successor. On 1/27, more than 10,000 Yemenis rallied in Sana'a and 1,000s in cities around the country, largely without violence. (The government deployed riot police, but stated that the regime "strongly respects the democratic right for a peaceful assembly.") Unlike Tunisia and Egypt, where demonstrations were spontaneous and broad based, those in Yemen seemed to be made up mostly of students organized by opposition parties. While all protesters highlighted poverty, corruption, and lack of jobs among their grievances, they seemed divided on other key goals, with some prioritizing the secession of the south (the former People's Democratic Republic of Yemen) and others the removal of Saleh. After Saleh announced (2/3) reform initiatives, including pledges not to run again or appoint his son when his term ended in 2013, to lift the state of emergency in force since 1992, and voter registration reforms, the wider public (but not the opposition) seemed appeased for the time being, and demonstrations dwindled in frequency and size through the end of the quarter.

Elsewhere in the region, small protests in Jordan convinced the king to dissolve (2/1) the current government there and to appoint a new PM who formed (2/9) a more broad-based government incorporating some opposition elements. Modest antigovernment protests inspired by Egypt and Tunisia were also held in Algeria, Bahrain, Iran, Iraq, Kuwait, Libya, and Saudi Arabia. Complaints centered on economic problems (jobs, salaries, poor services), lack of government accountability (corruption, transparency, good governance, democratization), and human rights (freedom of the press, torture). Protesters seemed to seek reform rather than overthrow. Governments typically responded by promising reform and distributing cash.

At the very close of the quarter, however, the situation in Bahrain and Libya was heating up. On 2/14, in Bahrain, 1,000s

of demonstrators took part in nationwide protests, with riot police firing tear gas and rubber bullets to disperse them, killing 2 protesters in Manama. The deaths precipitated another rally by 1,000s in Manama on 2/15, and the country's main Shi'i opposition party, Wifaq (which controls 18 of 40 seats), announced that it would boycott parliament in solidarity with protesters and as a warning to the Sunni regime, raising the specter of sectarian troubles in a Shi'i majority state. Bahrain's King Hamad bin Isa al-Khalifa gave (2/15) a rare televised address promising to investigate the deaths and enact unspecified reforms. In Libya, residents of Benghazi (Libya's 2d largest city and long considered an opposition stronghold) called for a major demonstration on 2/17 to protest against Col. Mu'ammarr Qaddafi's regime. In effort to prevent the rally, Libyan security police began (2/15) to round up prominent rights activists in Benghazi, sparking clashes with residents. While there were no serious injuries, tensions throughout the country increased significantly.

Turkey

While Turkey did not play a major role in the Israeli-Palestinian conflict this quarter, it did make significant though ultimately unsuccessful efforts to mediate a smooth government transition in Lebanon (see Lebanon section above) and to foster diplomatic talks Iran and Western nations towards halt Iran's nuclear program (see Iran section below).

Bilateral relations between Turkey and Israel remained strained over Israel's 5/2010 attack on the Turkish aid ship to Gaza, *Mavi Marmara*, that killed 9 Turks. Turkish Pres. Abdullah Gul and Israeli FM Avigdor Lieberman met (12/5) in Switzerland to discuss improving bilateral relations, but Gul refused Lieberman's request to return Turkey's ambassador to Tel Aviv and to stop pursuing the flotilla incident internationally and insisted on an Israeli apology for the attack. Despite tensions, Turkey sent firefighters to Israel to help with the Mount Carmel fire (see "Inside Israel" above). Israeli PM Netanyahu phoned (12/5) Turkish PM Erdogan to thank Turkey, marking their first conversation since the 5/2010 incident, but Erdogan downplayed the "humanitarian" gesture and stressed that while Turkey wanted better relations, it still expected a formal apology.

After Turkish FM Ahmet Davutoglu reiterated this publicly on 12/25, Netanyahu acknowledged (12/27) the impasse, stating: "They want an apology, and we of course do not want to apologize." As of 1/11, Israel had offered to express regret over the loss of life, but Turkey said this was insufficient. On 2/15, Turkey reiterated that only an explicit apology would suffice, leaving the matter unresolved at the end of the quarter.

Of note: On 1/23, Israel's Turkel Commission, investigating the *Mavi Marmara* flotilla incident, released the first half of its final report focusing on the legality of the blockade on Gaza and of Israeli efforts to enforce it, including the raid. The report concluded that the siege of Gaza did not violate international law and that the IDF, in attacking the flotilla, was acting in self-defense. The panel's two foreign observers, Canada's Brig. Gen. Ken Watkin and Northern Ireland's Lord David Trimble, both signed off on the report's conclusions. Israel simultaneously submitted the 300-page document to the UN panel investigating the incident. That panel, chaired by former New Zealand PM Geoffrey Palmer, included Israeli and Turkish representatives. The second part of the Turkel Commission report, not expected for several months, is expected to examine Israel's mechanisms for investigating suspected violations of international law and its decision-making process ahead of the raid. Turkey released (2/11) the final report of its internal investigation into the incident after submitting it to the UN. The report rejected Israeli claims that the IDF acted in self-defense, noting that 2 activists were fatally shot before the IDF boarded the ship and 1 was fatally shot while lying injured.

Of interest: A major NATO conference in Lisbon (11/19-23) discussed, among other things, a plan strongly supported by the U.S. to place missile defense systems in Turkey and elsewhere in the Mediterranean, in large part as a deterrent to Iran. Turkey had not agreed to endorse the plan going into the conference, and the U.S., hoping to encourage Turkey to vote in favor, had by 11/16 given Ankara assurances that the Western alliance would not share intelligence data from the system with Israel and would not to stress the Iran deterrence angle publicly to reduce regional and domestic pressures on Turkey to vote against (see Quarterly Update in *JPS* 158).

At the session, Turkey reluctantly voted in favor of the plan, but significant details yet to be worked out could scuttle it.

Also of note: Pres. Obama used (12/29) his recess appointment powers to confirm Francis Ricciardone as ambassador to Turkey. Members of Congress had blocked Ricciardone's appointment on the grounds that naming a new ambassador would reward Turkey for its anti-Israel stands.

Iran

By the opening of the quarter, the 5 permanent members of the UNSC and Germany (the P5+1) had concluded that Iran was beginning to feel enough pressure from new international and bilateral sanctions that it might be willing to resume serious dialogue (on hold since 10/2009) toward halting its nuclear program (see Quarterly Update in *JPS* 158). EU foreign policy adviser Catherine Ashton formally invited Iran to attend formal talks, but Iran was contesting the location, agenda, and duration of the meetings.

Talks Resume in Geneva

On 11/22, the EU's Ashton announced that P5+1 talks with Iran had been set for 12/6-7 in Geneva, but that no agenda had been agreed. Iran said it had no intention of discussing its nuclear program, which the P5+1 considered the purpose of the meeting. In effort to lower expectations, the U.S. termed (11/22) the planned meeting a "stock-taking session" to test Iran's seriousness about achieving a diplomatic solution.

Between Ashton's 11/22 announcement and the opening session on 12/6, several events transpired that clouded the talks: (1) the WikiLeaks revelations that the Arab states had prevailed upon the U.S. and coordinated with Israel to pressure Iran (see "WikiLeaks" above), which Iran dismissed as mere U.S. propaganda; (2) assassination attempts (1 successful) on 2 of Iran's top nuclear scientists in bombings in Tehran on 11/29, for which Iran blamed Israel and the U.S. (neither confirmed or denied responsibility); and (3) the U.S. Treasury Dept.'s 11/30 extension of existing bilateral sanctions to 10 additional Iranian businesses and 5 Iranian individuals.

Going into the Geneva talks on 12/6, the sides still lacked a detailed agenda, Iran still refused to discuss its nuclear program, and the P5+1 was not even sure if Iranian

diplomats would stay for the second day of the meeting on 12/7. Sources (e.g., NYT 12/7, WP 12/8) described the first day of talks as "difficult and candid," saying that "there was little of substance, considerable speechifying, and that both sides 'rehearsed well-known positions.'" However, participants said that 70-80% of the 3-hour morning session was focused on Iran's nuclear program. After the lunch break (the Western and Iranian delegations ate separately), bilateral meetings were held between Iran and several countries (including China and Russia, but not the U.S.). All parties then reconvened for a 90-min. plenary discussion, most of which was taken up by a presentation by Iranian chief negotiator Saeed Jalili emphasizing the mutual mistrust between Iran and the P5+1, to which the latter responded that "the heart of the mistrust is Iran's nuclear program." The Iranian delegation agreed to stay for talks on 12/7, but details of those talks were not released. Afterward, a senior U.S. official speaking anonymously said only that "our expectations for this meeting were low, and I can't say that they've been exceeded." Iran agreed to a follow-up meeting in late 1/2010 in Istanbul, which the P5+1 hoped would include a more detailed and substantive agenda. Chief Iranian negotiator Jalili, however, stated "openly and clearly that Iran will not discuss a uranium enrichment halt in the next meeting." The Gulf Cooperation Council (GCC) issued a statement later on 12/7 calling on Iran to "respond positively" to talks on its nuclear program and to "be a good neighbor."

Iran's Nuclear Capability

While the sides pursued diplomacy, Iran continued to develop its nuclear program, though not without facing obstacles. An International Atomic Energy Agency (IAEA) report leaked on 11/23 estimated that Iran had enough low-enriched uranium for 2 nuclear bombs if refined further, but that problems with the centrifuges caused a temporary shutdown at its Natanz facility (possibly a result of the Stuxnet virus; see Quarterly Update in *JPS* 158). By the end of the quarter, Western diplomats reported (2/15) that the latest IAEA footage of Iran's Natanz facility showed that Iran had repaired and replaced many centrifuges damaged by the Stuxnet virus.

Outgoing Israeli Mossad chief Meir Dagan estimated in his final testimony to the

Knesset on 1/7 that, due to recent setbacks, Iran would not be able to build a nuclear weapon until at least 2015. He credited recent covert attacks on Iran (including the Stuxnet computer virus targeting Iran's centrifuges and bombings targeting leading nuclear scientists—both possibly undertaken by Israel), not increased sanctions, as the main reason. The following week, Clinton indicated that the forthcoming revised national security estimate would similarly revise expectations on Iran achieving a nuclear weapon. Some experts believed (e.g., NYT 1/23) that Tehran believed these new assessments undermined justifications for a military strike on Iran, meaning it could risk adopting a tougher negotiating stance in the 1/21–22 Istanbul talks than it might otherwise have done.

Of note: The *New York Times* ran (1/6) a special investigative report based on 3 months of research that cites numerous anonymous American and European intelligence, computer, military, and nuclear experts as confirming that Israel and the U.S. had been running a major program out of Israel's Dimona nuclear facility to identify and exploit weaknesses in Iran's nuclear program, including running centrifuges similar to Iran's and allegedly creating "sophisticated cyber weapons," including the Stuxnet computer virus.

On the eve of talks with the P5+1 in Geneva, Iran announced (12/5) that it had successfully produced uranium concentrates (yellowcake) from uranium ore mined domestically and therefore would no longer need to import yellowcake for its enrichment facilities. (In the 1980s, Iran bought yellowcake from South Africa, but that supply is dwindling.) U.S. National Security Council (NSC) spokesman Mike Hammer says, however, that Iran's domestic supply of uranium ore was not enough for a sustained peaceful nuclear energy or medical program, raising further questions about Iran's intentions.

Prospects of a Military Strike

In a meeting with JCS head Adm. Mullen at the Pentagon on 11/17, IDF chief of staff Gen. Ashkenazi urged the U.S. to present Iran with a credible military threat if it does not end its nuclear program. Mullen stated publicly afterward that the U.S. focus remained on dialogue, engagement, and sanctions and that military

force remains an option "in the future." After the WikiLeaks documents broke in late-11/2010, Israeli PM Netanyahu cited (11/29) the reports of numerous Gulf leaders as urging the U.S. to take a stronger position on Iran as proof Iran was the top regional threat and repeated Ashkenazi's call. Meanwhile, while Mullen and Ashkenazi met, Iran, in a show of force, held (11/16–20) major air defense war games simulating how it would protect its nuclear sites from airstrikes.

Positioning Between Negotiating Sessions

The U.S. had emerged from the Geneva session in 12/2010 convinced that Iran was not being pressured enough to compromise, and within days Obama's chief nuclear adviser Gary Samore stated (12/10) that the U.S. and its P5+1 allies were planning new sanctions to test "Iran's pain threshold" and convince it to stop producing nuclear fuel. Samore said that the White House hoped the increased pressure would make Iran take diplomatic talks more seriously, noting that the recent Geneva talks gave the impression that Iran "believed it [could] manipulate the appearance of negotiations to weaken existing sanctions and avoid additional measures" and that the P5+1 wanted to send the message that "sanctions will only increase if Iran avoids serious negotiations." On 12/13, Obama personally hosted a meeting of the ambassadors of the 15 UNSC member states to stress the importance of continued UNSC support for efforts to contain Iran. Ultimately, however, no additional sanctions were imposed before the end of the quarter.

Meanwhile, existing sanctions were having a dramatic unintended impact on Tehran. By early 12/2010, the capital, with millions of cars and surrounded by one of the highest mountain ranges in the region, was suffering pollution so extreme that government offices and schools were forced to close for extended periods. Experts blamed the crisis on Iran's switch to domestic gasoline as part of an emergency plan to prevent fuel shortages resulting from sanctions, with conditions worsening the longer windless drought conditions continued. The drought finally began to ease in late in the month.

The negative impact of sanctions on the economy were also partially responsible

for hastening Ahmadinejad's launch (12/18) of plans to gradually remove subsidies on fuel, food, and other basic goods that were costing the Iranian government up to \$100 b./year. While the cuts had been long planned to boost the ailing economy (see Quarterly Update in *JPS* 158), economists feared they could spur inflation and even amplify the sanctions' effects. Overnight, the price of gas quadrupled and the price of diesel increased ninefold, but no unrest was reported. The process of lifting subsidies was to be completed by 2013.

Other domestic pressures also come into play. Soon after the Geneva session, prominent Iranian parliamentarians issued an open letter to Ahmadinejad demanding that he respect parliament's authority or risk the initiation of parliamentary procedures, possibly including impeachment, aimed at curbing his authority. They complained that over the previous 2 years, Ahmadinejad (in power since 2005) had increasingly ignored and undercut the parliament (including refusing to sign legislation binding on his government; spending without legislative authorization; and blocking payments authorized by the legislature to bodies critical of his rule, including the Tehran municipality) and risked "eliminat[ing] the republicanism of the system," turning Iran into a dictatorship. Ahmadinejad's response was that the parliament "should stop creating obstacles to Iran's progress." In addition, some critics noted (NYT, WP, WT 12/14) that for at least 4 months, Ahmadinejad had been dispatching personal "presidential envoys" on diplomatic missions without consulting FM Manouchehr Mottaki (close to parliamentary speaker Ali Larijani and not considered an Ahmadinejad insider), raising accusations that he was trying to create a parallel foreign ministry. Iran's supreme leader Ayatollah Ali Khamenei had intervened in these instances to demote the presidential envoys to "advisers," but the fact of Ahmadinejad's centralizing authority was unchanged. Indeed, on 12/13, Ahmadinejad fired Mottaki and appointing Ali Akbar Salehi, head of Iran's Atomic Energy Organization, as his acting FM, further tightening his direct control over foreign affairs and sidelining parliament.

In an open attempt to sway the upcoming meeting with the P5+1 in Istanbul, Ahmadinejad invited (1/3) China,

the EU, Russia, and several Arab allies to tour its nuclear facilities on 1/15–16. The U.S. called (1/3) the move a ploy, saying that "inviting a handful of countries to tour facilities is not a substitute" for IAEA inspections.

Istanbul Follow-Up Talks

The follow-up talks opened in Istanbul as planned on 1/21, with the P5+1 hoping to discuss a fuel swap agreement that would curb Iran's uranium enrichment program, but with low expectations for success. The P5+1 came with a list of "practical steps" they wanted Iran to take to prove its peaceful intentions, including: (1) accepting a modified version of a 10/2009 Russian-French proposal for a nuclear fuel swap that would leave Iran without enough enriched uranium to create a nuclear weapon; (2) agreeing to more international monitoring; and (3) opening a bilateral channel to the U.S. to improve communication. Iran, however, opened by stating that it would not consider any P5+1 proposal until certain "prerequisites" (flatly rejected by the P5+1) were implemented, including: (1) immediately lifting all UN sanctions; and (2) formally acknowledging Iran's right to develop a wide range of nuclear technologies, including uranium enrichment. The first day of talks lasted late into the evening, with participants describing the meeting as "edging close to a collapse." Talks broke down quickly on 1/22 when Iran's Jalili refused so much as to transmit the P5+1's "practical steps" to Tehran, much less hold further discussions, until Iran's prerequisites were implemented. The session broke up without setting a date for another meeting and with participants reporting "deepening pessimism" about the prospects for an agreed solution to Iran's nuclear program. EU and U.S. officials said (1/22) that they were buoyed, however, by the unity shown by the P5+1 group—China and Russia had often tended to greater leniency towards Iran than the Western powers, but this time showed equal opposition to Iran's calls to remove sanctions. France and the U.S. immediately began talk of imposing additional bilateral sanctions to press Iran further.

Meanwhile, domestic tensions had been rising in Tehran under the impact of the prodemocracy demonstrations around the region. From the outset, supreme leader

Ayatollah Khamenei and other conservative figures had praised the protests while ignoring or refusing citizens' requests to hold solidarity rallies in the capital (seen as having the potential to morph into protests against the regime). As the regional unrest continued, however, this policy became difficult to maintain, and when opposition figures appealed (2/7) to the Interior Min. to allow a peaceful demonstration in Tehran on 2/14 in solidarity with protesters in Tunisia and Egypt, the authorities denied (2/9) the request and in the following days (2/10 and 2/11) began placing some leading opposition figures under house arrest to prevent protests. U.S. State Dept. spokesman P.J. Crowley criticized (2/9) the moves, saying "What's good for Tahrir Square should be good for Tehran." Despite the ban, 1,000s of demonstrations turned out in Tehran on 2/14 to call for Ayatollah Khamenei's ouster, marking the largest demonstration since Iran's own prodemocracy rallies in 2009. (Final estimates of the turnout ranged widely from 20,000 to more than 100,000.) The U.S. issued (2/14) a statement that it "very clearly and directly supports" the protesters.

Other Security Issues

Iran announced (1/10) that a month-long covert investigation had infiltrated a major spy ring tied to Israel and that a number of individuals had been arrested in connection with the assassination of a prominent Iranian scientist Massoud Ali-Mohammadi in 2009. No further details were given.

A Nigerian court convicted (11/25) 1 Iranian and 3 Nigerians with arms trafficking in connection with an Iranian arms shipment seized in Nigeria's main port in 10/2010, believed to be en route to Hamas in Gaza or the Taliban in Afghanistan (see Quarterly Update in *JPS* 158 for background).

Iran executed (12/28) 2 Iranians for political crimes, including 1 convicted of spying for Israel.

INTERNATIONAL

UNITED STATES

The U.S.'s image and effectiveness in the Middle East took a hit this quarter. With its efforts to revive the Israeli-Palestinian negotiations having overreached

with an unrealistic incentives package followed by shuttle missions without a strategy, the peace process was at an impasse by mid-12/2010, and administration officials were casting about to find a way forward. Al-Jazeera's leak of the Palestine Papers and WikiLeaks' outing of reams of U.S. diplomatic cables (see below) undercut the trust of key allies and sullied the U.S.'s image in the region. Moreover, allied regimes across the Middle East and North Africa were either falling or under threat: By the quarter's close, Mubarak in Egypt and Ben Ali in Tunisia were gone; a Hizballah-led coalition was poised to take control of Lebanon's government; the popularity of Abbas's PA was at an all-time low; and Jordan had brought in a new government and was forced to give a nod to its Islamist opposition in the process. Gulf regimes (including Bahrain and Saudi Arabia, hosts to major U.S. military installations) were shakier than they had been in decades. At the quarter's close, the Obama administration was keenly aware of the problems, but events were moving too fast for it to craft the delicate strategy it would need to navigate the uncharted waters ahead.

WikiLeaks

This quarter, WikiLeaks, an independent online blog dedicated to creating a secure venue where individuals can leak classified information to the media and the public anonymously, and 5 leading international newspapers (Spain's *El Pais*, France's *Le Monde*, Germany's *Der Spiegel*, Britain's *Guardian*, and America's *New York Times*) simultaneously began on 11/28 to publish in batches some 251,000 confidential diplomatic cables dated between 12/28/66 and 2/28/10 from 274 U.S. embassies around the world. These included dozens of cables from the embassy in Tel Aviv, most of which summarized meetings between Israeli and U.S. officials that in themselves revealed little that was new, but whose interest derived from the candid official statements supporting what had previously been surmised. For example, a cable released on 1/5/11 cited Israel officials briefing U.S. embassy staff on the blockade of Gaza in 2008 as explicitly confirming that Israel intended to keep "the Gazan economy on the brink of collapse" to pressure Hamas—something Israel had not acknowledged publicly. Another cable (released 11/28/10) cited Mossad head

Meir Dagan as stating that Israel would prefer “that if [unfriendly] countries must choose between buying defensive systems from the U.S. or France, we would prefer they buy systems from the U.S.,” even if the better equipment would weaken Israel’s qualitative military edge, since this would give Israel’s ally leverage over the unfriendly regime that could be used to Israel’s advantage.

One key revelation was the clear extent of U.S. foreknowledge of Israeli plans to launch its massive Operation Cast Lead (OCL) against Gaza (12/27/08–1/18/09) and the apparent U.S. failure at any point to try to dissuade Israel from launching the assault that ultimately left some 1,400 Palestinians dead. In a briefing cable dated 12/22/08 (released 11/29), less than a week before the launch of OCL, U.S. embassy staff reported that Israel was considering reoccupying Gaza if it could quickly turn over responsibility to either Egypt or the PA afterward. They recommended that the State Dept. begin preparing media talking points (“our recommendation is that the USG start with putting the blame on Hamas for the illegitimacy of its rule in Gaza”) and mobilizing humanitarian assistance in the likely event that Israel staged a major attack. A separate 7/2009 cable (also released 11/29) quoted Israeli DM Ehud Barak telling U.S. officials that Israel had explicitly asked Egypt and Fatah before OCL if they would “assume control over Gaza once IDF defeated Hamas,” but both refused.

Several of the cables contained details about Hamas that underscored the U.S. perception of Hamas as a threat that must be contained. Others traced funds and weapons to Hamas. These included a 4/2009 cable (released 12/6) quoting Egyptian intelligence chief Suleiman telling JSC Adm. Mullen that Iran was providing Hamas with \$25 m. in cash per month and was linked to a Hamas cell in Egypt that was smuggling weapons into Gaza, and a 2/2009 cable from the U.S. emb. in Khartoum (released 12/6) expressing concerns that Sudanese cargo planes were ferrying weapons from Iran destined for Hamas in Gaza. One cable (released 12/20) that was deeply embarrassing to the PA was sent on 6/13/07—during the fighting in Gaza that ended with Hamas’s takeover—quoted Israel’s Shin Bet chief Yuval Diskin as saying that Abbas’s security forces were

sharing “almost all the intelligence that it collects” with Shin Bet because “they understand that Israel’s security is central to their survival in the struggle with Hamas in the West Bank. . . . [T]hey ask us to attack Hamas. . . . We have never seen this before. They are desperate.” Another 12/17/2007 briefing cable from the embassy in Cairo stated that: “the Egyptians continue to offer excuses for the problem they face: the need to ‘squeeze’ Hamas, while avoiding being seen as complicit in Israel’s ‘siege’ of Gaza. Egyptian General Intelligence Chief Omar Suleiman told us Egypt wants Gaza to go ‘hungry’ but not ‘starve.’” Finally, a recent State Dept. cable (released ca. 1/2) stated that the UAE had asked the U.S. to investigate the use of pre-paid credit cards drawn on a U.S. bank by several suspected Mossad agents involved in the 1/2010 assassination of Hamas’s Mahmud Mabhuh, but the U.S. apparently did not comply. (A former Mossad operations officer commenting anonymously on the story in the *Washington Times* [WT] on 1/3 said Mossad would never use a U.S. bank in an operation without at least notifying the CIA. The UAE and U.S. refused requests for comment.)

Overall, however, observers immediately noted (e.g., al-Jazeera 11/29, NYT 12/2) that the leaked cables contained almost no mention of Israel and the peace process or Israel’s regional role, but tended overwhelmingly to “erode the image of Arab leaders in Arab public opinion,” raising suspicions that there was a political agenda behind the leaks. A number of cables told of Arab leaders, particularly in the Gulf, imploring the U.S. to take action against Iran, portraying Iran as a greater regional threat than Israel. Another cable released on 12/1 showed that Israel had been in regular behind-the-scenes coordination with Oman, Qatar, Saudi Arabia, and the UAE to contain Iran. Netanyahu and other Israeli officials seized on these revelations, stressing publicly (beginning 11/29) that the WikiLeaks documents proved that Iran was the region’s greatest threat, that Arab states were “panicked” over Iran’s regional actions (e.g., nuclear ambitions, supporting Hamas and Hizballah), and that Arab statements decrying the failure to resolve the Arab-Israel conflict amounted to little more than a PR campaign to delegitimize Israel. Netanyahu hoped (11/29) that the revelations would build momentum for

tougher international action against Iran. Commenting on the lack of information in the cables on Israeli policy, Netanyahu dismissed (11/29) a conspiracy, stating that "there is not a huge gap between what we say behind closed doors and what we say openly" and that Israel had always kept important meetings restricted to 2-4 people on the assumption that information held by more people would leak. The leaks seriously eroded trust between the U.S. and the Gulf states, however. On 1/9-14, Secy. of State Clinton made what she called her "extended apology tour" of the Gulf, saying it would take years to undo the diplomatic damage the leaks had caused. She expected that "I will be answering concerns about WikiLeaks for the rest of my life, not just the rest of my tenure as secretary of state."

Regional Unrest Poses a Challenge

The prodemocracy protests that swept the region this quarter as of 12/2010 were a test for the Obama administration, showing how longstanding, one-sided alliances (such as with the Ben Ali and Mubarak regimes) prevented it from interjecting itself in the situation. While the U.S. operated behind the scenes to pressure Egyptian army contacts to refrain from violence and to urge Mubarak to step down, it could not actively support protesters without being accused of opportunism and unreliability as an ally. The U.S. ultimately opted (beginning ca. 1/15) to press allies to expand the dialogue with their citizens and to undertake preventive political and economic reforms as quickly and broadly as possible to keep the riots from spreading. In his annual State of the Union address on 1/25, Obama showed symbolic support for protesters by stating the U.S. "stands with the people of Tunisia and supports the democratic aspirations of all people," but otherwise said little about the Middle East.

After Mubarak's departure on 2/11, Obama dispatched (2/13) Joint Chiefs of Staff head Adm. Mullen to Israel, Jordan, and Egypt to discuss the regional security implications of the fall of Mubarak's regime. Other senior admin. officials left (2/13) for the Middle East, Europe, and South Asia to reassure worried allies, consult on regional security, and discuss an international approach to facilitate the transition in Egypt.

U.S.-Israel Relations

Congress, unable to agree on the FY 2011 budget that should have become effective in 10/2010, the start of the U.S. fiscal year, extended (ca. 12/30) the current budget through 3/2011. As a result, disbursement of Israel's \$3 b. in military aid for FY 2011 was delayed. By law, Israel receives its annual aid in a lump sum within 30 days after the president signs the budget for the new fiscal year, i.e., normally in November. The immediate effect was the loss to Israel of millions of dollars in interest on the aid, which Israel relies upon to shore up its own budget. The budget debate had not been resolved by the close of the quarter.

After the U.S. withdrew its proposed incentives package on 12/7 (see "A U.S. Incentives Package" above), Israeli PM Netanyahu formally appealed (1/4) to Obama to pardon jailed spy for Israel Jonathan Pollard, taking the new approach that Pollard should be released as a matter of justice rather than as a quid pro quo for concessions toward peace. (Pollard was sentenced in 1987 to life imprisonment for transferring 1,000s of Defense Dept. documents to Israel while serving as a Naval Intelligence Service contractor.) Netanyahu reiterated Israel's "remorse" over the incident, admitting Israel's actions "were wrong and wholly unacceptable" and that "Israel will continue to abide by its commitment that such wrongful actions will never be repeated." The White House said (1/4) it would review the request, but approval was seen as unlikely, considering the strong opposition within the U.S. intelligence community. (The Defense Dept. spent an estimated \$3 b.-\$5 b. to remedy the national security breaches created by Pollard's spying.) Israel, which is broadly believed still to have one of the largest military, political, and corporate espionage operations against U.S. interests on U.S. soil, granted Pollard citizenship in 1995. Netanyahu, during his first term as PM in the late 1990s, was the first Israeli official to acknowledge Pollard as an Israeli agent, and he visited him in prison in North Carolina in 2002.

Congress

Congress was relatively inactive with regard to the peace process this quarter. Primary focus was on the battle over the FY 2011 budget and the threat of a government shut-down come 3/2011 if the issue was not resolved.

With the early-11/2010 elections having shifted the majority in the House from Democratic to Republican (see Quarterly Update in *JPS* 158), House Democrats engaged in some last-minute jockeying over pro-Israel legislation to demonstrate their initiative before the Republicans took the reins in 1/2011. To this end, Rep. Howard Berman (D-CA) pressed through last-minute passage (12/15) before the winter recess of H.Res. 1765 “condemning unilateral measures to declare or recognize a Palestinian state.” Several more strident Republican measures opposing recognition of unilateral statehood had been proposed since 11/2010, but Democrats were keen to be seen as taking the lead on the issue. Berman brought the measure to a vote under “suspension of the rules,” a procedure that is meant to be reserved for noncontroversial resolutions and that prohibits amendments to drafts and limits debate. At the last moment, with fewer than 10 representatives on the floor, he also requested a voice vote rather than a recorded vote so the measure would pass by “unanimous consent” giving the impression that the entire House backed it instead of the handful present. Moreover, Berman put the resolution on the calendar while he was still drafting it, meaning most congressional offices did not receive the text until a few hours prior to the vote. Many representatives were reportedly (Mondoweiss 12/16) “infuriated that such an important foreign policy declaration was being treated in such an inconsiderate manner.” Rep. Lois Capps (D-CA), though giving the measure her “very reluctant support,” called it “yet another one-sided resolution,” stating that “resolutions like [this one] . . . are clearly done for domestic political consumption much more than for having any positive impact on the conflict. We should not be ignorant of the fact that this chamber’s pattern of passing resolutions that are one-sided can, indeed, undermine our credibility to be serious brokers for peace.”

Also of note: Rep. Stephen Rothman (D-NJ) sent (12/21) a letter to French Pres. Nicholas Sarkozy urging him to cancel plans to sell 100 anti-tank missile defense systems to Lebanon by the end of 2/2011, expressing concerns that the anti-tank missiles could fall into Hizballah hands. Sarkozy apparently did not respond.

Lobbies

In a report released on 12/19 (see Doc. D1), Human Rights Watch called on the U.S. “to suspend financing to Israel in an amount equivalent to the costs of Israel’s spending in support of settlements” and to monitor contributions to Israel from tax-exempt U.S. organizations that violate international law, “including prohibitions against discrimination.” The call came in response to recent reports (see Quarterly Update in *JPS* 157) that serious tax loopholes have allowed at least 40 American organizations to collect more than \$200 m. in tax-deductible donations to fund Jewish settlements in the West Bank and East Jerusalem over the past decade.

The Jewish Federation of Greater Washington held (12/12) its annual Super Sunday phonathon, raising over \$1 m. from more than 1,700 donors for programs locally and in Israel. Local politicians and elected officials, including House Rep. Donna Edwards (D-MD) and Montgomery County Executive Isaiah Leggett, were among the 800 volunteers making calls to solicit donations.

A day after Netanyahu formally asked Obama to pardon spy for Israel Pollard, the National Council of Young Israel launched (1/9) a nationwide grassroots campaign to press Obama to grant Pollard clemency, urging supporters to call the White House daily to make the request.

Netanyahu pledged (1/6) to double the Israeli government allocation to Birthright Israel to \$100 m./year over the next few years, with the aim of bringing 50,000 youths to Israel each year (many from the U.S.). The program was established in 2000 to bring young diaspora Jews (age 18–26) to Israel on a free 10-day tour to build knowledge of and loyalty to the State of Israel. A 10/2009 study by Brandeis University has shown that Birthright has a profound effect on participants: alumni are more likely to become members of synagogues on their return home, marry within the Jewish community, and bring up their children with a Jewish education.

Legal Action

The PA agreed (2/14) to settle a lawsuit filed by the families of an American citizen and his Israeli wife who were killed in a Hamas drive-by shooting near Efrat settlement in 6/1996. The families had sued on the grounds that the PA was responsible for

the death by failing to prevent the attack and had won a \$116 m. default judgment from a federal court when the PA refused to attend a hearing (see Quarterly Updates in *JPS* 129, 132). A judge ordered PA assets in the U.S. frozen pending collection. No details of the settlement were released other than that the agreement would unfreeze PA assets.

Former AIPAC official Steven J. Rosen filed (12/14) a wrongful dismissal suit against AIPAC, which fired him in 4/2005, several months after news broke of an ongoing federal investigation into whether Rosen and AIPAC colleague Keith Weissman had unlawfully received and disclosed classified information they obtained from Pentagon official Larry Franklin. Rosen and Weissman were indicted in 8/2005, but federal prosecutors dropped the case in 5/2009 when the court ruled that the government must reveal its confidential sources to pursue the case (see Quarterly Update in *JPS* 152). In his filing, Rosen alleged that “the receipt and distribution of confidential foreign policy information is a common practice for AIPAC,” and that therefore singling him out was unfair.

RUSSIA

Russia continued to limit its involvement mostly to participation in the Quartet to press for Israeli-Palestinian peace talks and in the P5+1 (Russia, the 4 other permanent UNSC members, and Germany) in the discussions on imposing new sanctions against Iran. Russian pres. Dmitry Medvedev made his first visit to the West Bank on 1/18, delivering a supportive message endorsing Palestinian claims to East Jerusalem and demanding that Israel freeze all settlement construction. Medvedev canceled the Israeli leg of his trip because of a strike by Israeli FMin. employees.

EUROPEAN UNION

The EU generally restricted its participation in the Israeli-Palestinian peace process to the Quartet. The only major EU decision related to the peace process this quarter was the 12/13 decision not to recognize an independent Palestinian state until an appropriate time (see “Recognition of Palestine” above).

On a bilateral level, Britain amended (12/1) its universal jurisdiction law so that

arrest warrants for offenses under certain international laws, including the Geneva Convention, must first be approved by the nation’s chief prosecutor. The move came under pressure from Israel, whose diplomats for years have been the target of British civil suits filed in local jurisdictions charging illegal actions against Palestinians.

UNITED NATIONS

While many Palestinian moves this quarter involved the UN (see “Recognition of Palestine” above), little action affecting the peace process took place in UN bodies given the broader regional unrest. On 11/23, the UN General Assembly (UNGA) approved (121-19, with 39 abstaining) plans to commemorate the 10th anniversary of the first World Conference against Racism (WCAR, held in Durban in 2001) at the UNGA opening session in 9/2011. The U.S. and Israel condemned the motion as endorsing the “Israel bashing” of the 2001 session, which deemed Israel’s treatment of the Palestinians as racist (see Peace Monitor in *JPS* 122). On 12/24, the UNGA passed (104-22, with 33 abstentions, and Israel and the U.S. voting against) another measure calling for a Durban follow-up summit in 2011. Israel and Canada said they would not attend in protest and urged the U.S. to boycott as well.

DONORS

There were no major donor meetings this quarter. Of the 4 main donor “strategy groups” (SGs), the economic policy SG met on 12/2 and the infrastructure SG met on 1/12, while the social development and humanitarian assistance SG and the governance and reform SG did not meet. Various SG subcommittees also held regular follow-up meetings. These included the economic SG’s fiscal sector working group (SWG; 12/2), private sector development and trade SWG (12/9), Medium, Small, and Micro Enterprise Thematic Group (11/24), and agriculture SWG (11/25); the governance SG’s elections SWG (12/1), judiciary SWG (12/16), and security SWG (2/2); the infrastructure SG’s environmental SWG (1/26) and solid waste thematic subgroup (12/4); and the social and humanitarian assistance SG’s health SWG (12/9) and “social protection” SWG (12/1).